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ABSTRACT

Project Real World, a self-contained, activity-based Canadian consumer science program, provides students with systematic instruction in economic living skills. It gives students in grades 10-12 an orientation to the economic realities and opportunities in society. The program helps students function effectively within the rapidly changing marketplace; manage personal and financial resources; apply personal values, citizenship responsibilities, and social, economic, and environmental considerations; act responsibly as consumer-citizens; participate in economic/government systems; and recognize enterpreneurship career opportunities. This module, the first in a series of five, contains three sections: (1) the Canadian marketplace--changes, technology, and environment; (2) the consumer and the economy--economic systems, interdependence, supply and demand, competition, and economic problems; and (3) the influence of the political and social systems on the marketplace--government, society, social change, and advertising. Each section may contain an introduction, purpose, scope, "for the teacher," related content, choices and challenges, and activities. Many activities are community oriented. Decision making, resource management, and citizen participation are emphasized. The activities in the core program are identified in the table of contents. Sections and individual activities can be used as supplements to business education, home economics, law, economics, social studies, or mathematics topics. Transparency masters and two appendices containing a list of resource organizations and tips for working in small groups are included. (NLA)

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A PUBLICATION
OF THE FEDERAL/
PROVINCIAL
CONSUMER
EDUCATION AND
PLAIN LANGUAGE
TASK FORCE

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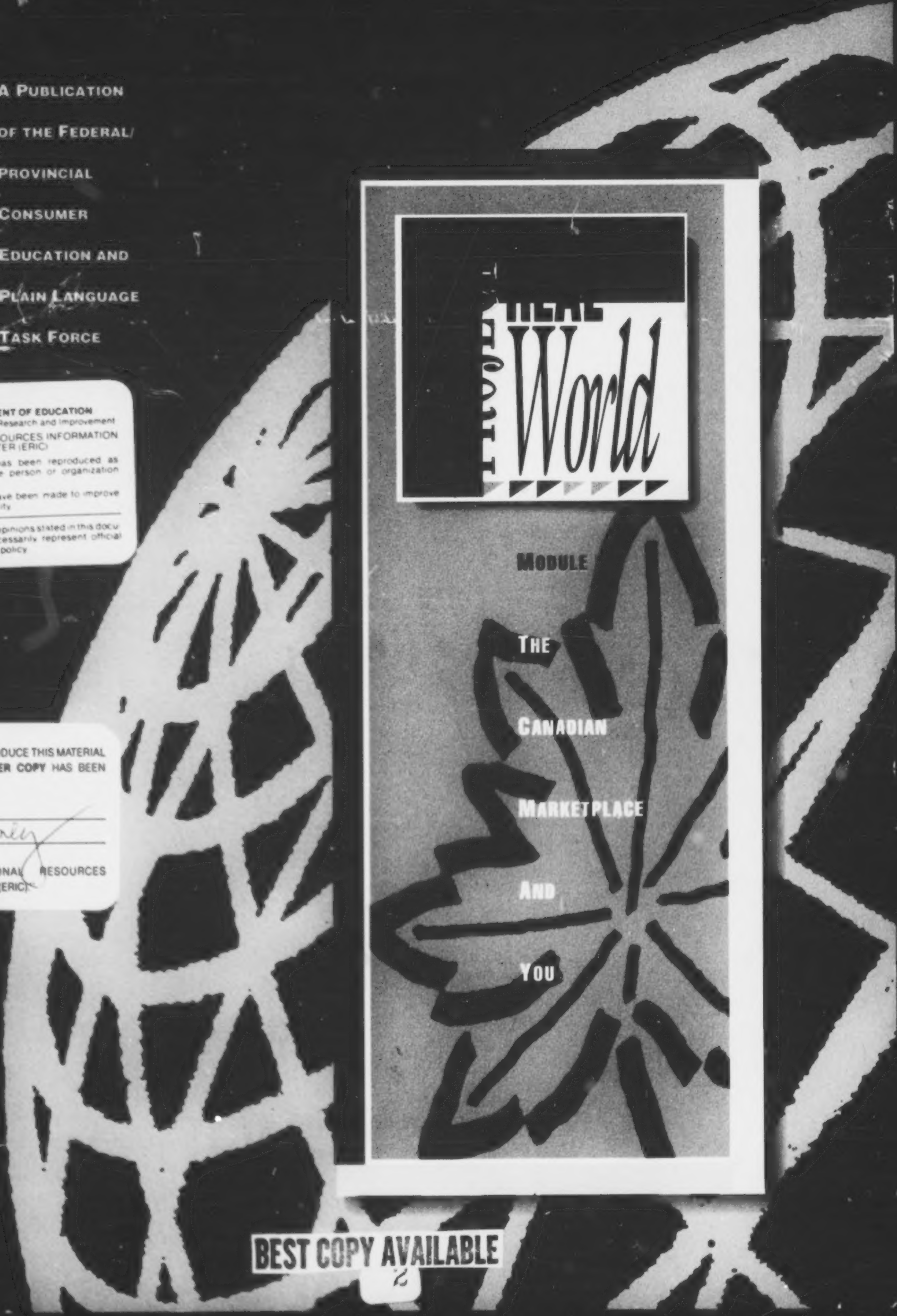

Real World

MODULE

THE
CANADIAN
MARKETPLACE
AND
YOU

BEST COPY AVAILABLE

ECONOMIC LIVING SKILLS FOR HIGH SCHOOL STUDENTS

An activity-based resource to orient young people to the realities and opportunities of the marketplace.

A publication of the Federal/Provincial
Consumer Education and
Plain Language Task Force

ACKNOWLEDGEMENTS

The Federal/Provincial Task Force on Consumer Education and Plain Language is indebted to the six provincial departments that co-operated to develop this resource: Alberta Consumer and Corporate Affairs; Manitoba Cooperative, Consumer and Corporate Affairs; the Consumer Education and Marketplace Relations Branch, Saskatchewan Family Foundation; Ontario Ministry of Consumer and Commercial Relations; Quebec Office de la Protection du Consommateur; and Nova Scotia Justice. The Task Force sincerely thanks these departments for their initiative and commitment.

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PROJECT REAL WORLD
ECONOMIC LIVING SKILLS FOR HIGH SCHOOL STUDENTS

Why Marketplace Education?
We live in a complex, market-based society. Every day, each of us interacts in a hundred different ways in the marketplace — managing our money, deciding on a purchase, dealing with a landlord, advising a manufacturer about a faulty product, or working in the service or retail industry. The marketplace plays a central and vital role in all Canadians' lives. In fact, it is in the marketplace, more than in any other area of our society, where we are most challenged to function effectively and contribute productively.

Technological advances and ongoing economic and social change mean that Canadian society and the marketplace will become even more complex as each year passes.

Some recent trends which have shaped today's marketplace include:
- **technological advances** such as electronic banking and automatic tellers, credit and debit cards, electronic scanners and UPC codes, and electronic gas pumps;
- **a rapid increase in the number of products and services available** - close to 1,500 new food products become available each year;
- **the increasing sophistication of marketing techniques** - for example, telemarketing and TV shopping;
- **the tremendous influence of advertising** - the average Canadian sees or hears close to 1,500 ads per day;
- **the increasing technical and chemical complexity of common household items** - today the average home has more chemicals under the kitchen sink (cleaning products) than were in a chemistry lab 50 years ago;
- **the increased earning and spending power of children and young people** - Canadian youth (15 to 23 years) spend $3.5 billion a year in the marketplace;
- **the increasing concern about environmental protection** - many consumers think about how the products they buy will affect the environment.

Today's consumer requires greater knowledge and a broader range of skills than ever before. Acquiring the necessary knowledge and skills is too important to be left to chance. Young people will be best equipped to participate effectively in Canada's dynamic and changing marketplace if they are provided with systematic instruction in marketplace education.

What is Project Real World?

Project Real World provides students with systematic instruction in economic living skills. It is a practical, relevant resource to provide high school students in grades 10 to 12 with an orientation to the economic realities and opportunities of our society.

The program will help students to:

1. Prepare for and function effectively within the rapidly changing marketplace;
2. Manage their personal and financial resources;
3. Make educated choices which reflect personal values; citizenship responsibilities; and social, economic and environmental considerations;
4. Understand their rights and responsibilities as consumer-citizens;
5. Participate effectively in economic and government systems; and
6. Recognize the importance of entrepreneurship in the marketplace and the career opportunities it affords.

Project Real World is made up of five separate modules:

1. **The Canadian Marketplace and You**
2. **Your Economic Decisions**
3. **Resource Management Skills - What Money Can't Buy**
4. **Entrepreneurship and the World of Work**
5. **Citizen Participation in Canada's Market-Based Society**

Project Real World can be used in its entirety as a separate course. The activities which make up a core program are identified in bold type in the Table of Contents. As well, sections and individual activities can be used as supplements to subjects such as Business Education, Home Economics, Law, Economics, Social Studies, or Mathematics.

Project Real World is an activity-based program not a textbook. It has been designed so that students are participating and involved, having fun while they learn basic concepts and achieve fundamental understandings about the marketplace and their role in it.

Many of the activities are community-oriented. They will take students out of the classroom and into the community where they live. They will also bring members of the community into the classroom. Whether students are learning in the classroom or in the community, the program requires them to use processes which simulate those needed to deal effectively with "real-life" situations.

Each module contains more activities than any one teacher will use in exploring a concept. This is intentional so that teachers can choose those activities which best meet the needs, interests and circumstances of their students. Teachers are encouraged to adapt and modify the activities as needed.

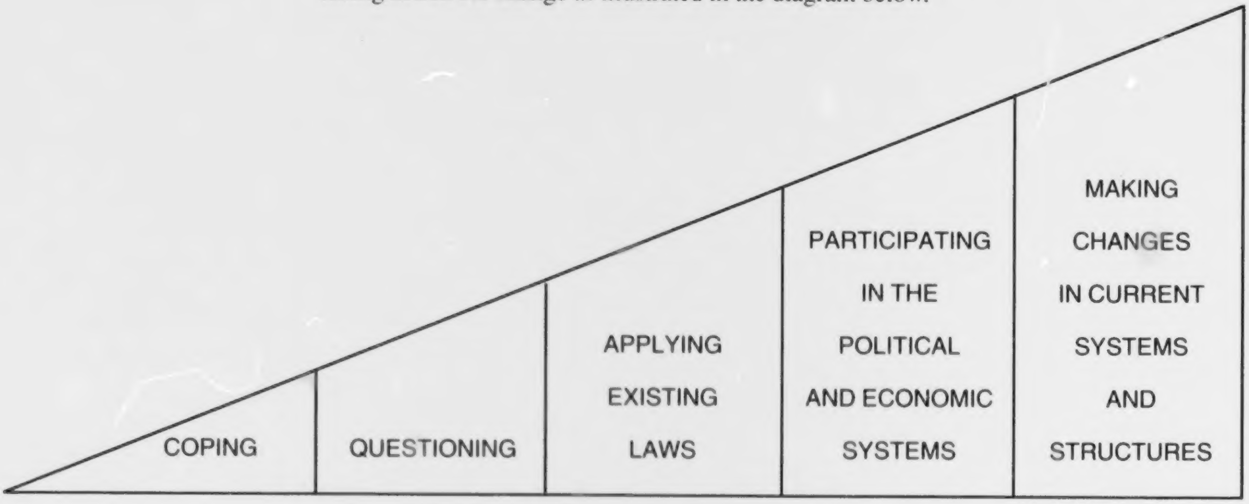
Finally, the resource is self-contained. Teachers will find all the background information they require in the "For the Teacher" section which accompanies each section.

Project Real World is Being Used Across Canada

Project Real World was developed cooperatively by six Canadian provinces. It is being used across Canada. For this reason, some sections (those relating to consumer law, for example) are written without province by province detail. Contact your provincial department of consumer affairs (the name varies slightly from province to province) to get information on the consumer laws in your province.

Project Real World's Theoretical Framework

The scope of **Project Real World** is broader than many traditional Consumer Studies programs which are often limited to teaching students to shop wisely. **Project Real World** is designed to prepare students to take an active role in influencing and shaping the marketplace. It addresses a progression of consumer skills from coping to questioning to taking action for change as illustrated in the diagram below.


COPING
QUESTIONING
APPLYING EXISTING LAWS
PARTICIPATING IN THE POLITICAL AND ECONOMIC SYSTEMS
MAKING CHANGES IN CURRENT SYSTEMS AND STRUCTURES

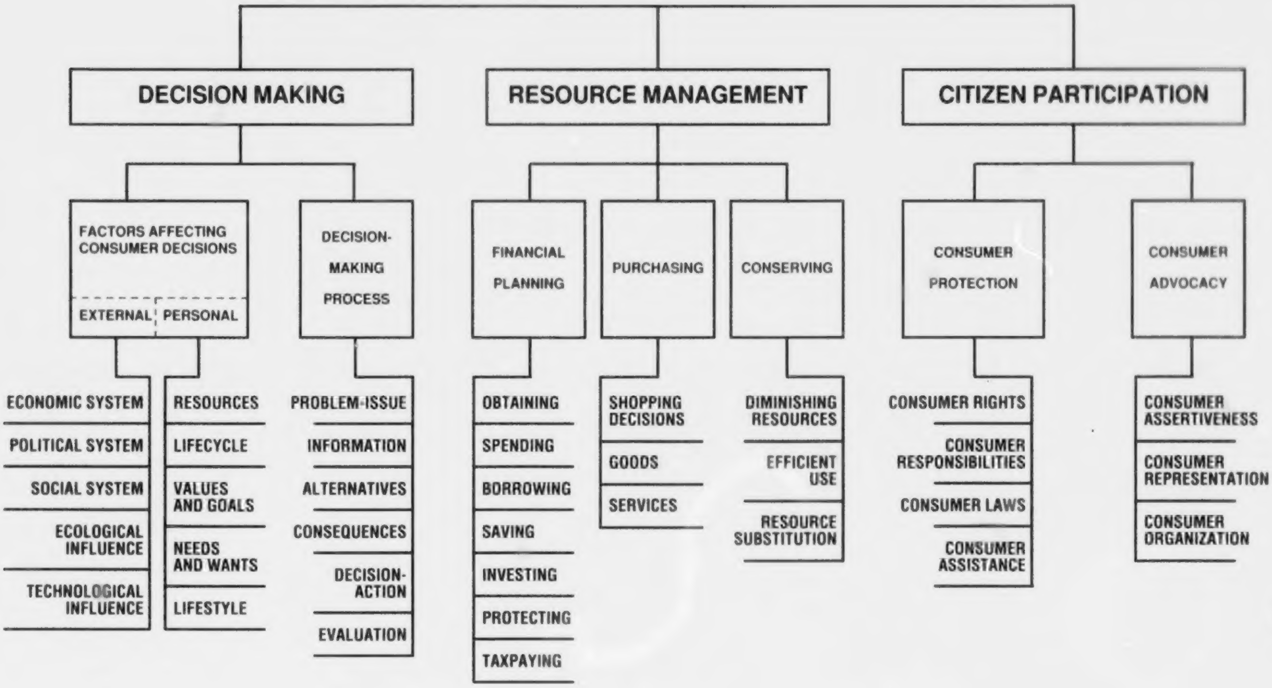
Accordingly, it includes sections on the economy, and on the political and social influences in the marketplace. It includes sections on both earning and spending money and provides students with information about how individuals and groups can bring about change.

There is heavy emphasis on decision-making throughout **Project Real World**. Decision-making, based upon personal priorities, is the key to making marketplace choices and to effecting change in the marketplace and in the economic system.

The conceptual framework upon which **Project Real World** is based appears on the next page.

Classification of Concepts in Marketplace Education

Marketplace Education is the process of gaining the knowledge and skills needed to manage economic and personal resources and take actions to influence the marketplace


DECISION MAKING
RESOURCE MANAGEMENT
CITIZEN PARTICIPATION
FACTORS AFFECTING CONSUMER DECISIONS
EXTERNAL
PERSONAL
DECISION-MAKING PROCESS
FINANCIAL PLANNING
PURCHASING
CONSERVING
CONSUMER PROTECTION
CONSUMER ADVOCACY
ECONOMIC SYSTEM
POLITICAL SYSTEM
SOCIAL SYSTEM
ECOLOGICAL INFLUENCE
TECHNOLOGICAL INFLUENCE
RESOURCES
LIFECYCLE
VALUES AND GOALS
NEEDS AND WANTS
LIFESTYLE
PROBLEM-ISSUE
INFORMATION
ALTERNATIVES
CONSEQUENCES
DECISION-ACTION
EVALUATION
OBTAINING
SPENDING
BORROWING
SAVING
INVESTING
PROTECTING
TAXPAYING
SHOPPING DECISIONS
GOODS
SERVICES
DIMINISHING RESOURCES
EFFICIENT USE
RESOURCE SUBSTITUTION
CONSUMER RIGHTS
CONSUMER RESPONSIBILITIES
CONSUMER LAWS
CONSUMER ASSISTANCE
CONSUMER ASSERTIVENESS
CONSUMER REPRESENTATION
CONSUMER ORGANIZATION

Source: Charles Monsma and Rosella Bannister
Classification of Concepts in Consumer Education. South-Western Publishing, 1982. Used with permission.

PROJECT REAL WORLD
ECONOMIC LIVING SKILLS FOR HIGH SCHOOL STUDENTS

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- Change
- Technology and the Marketplace
- The Marketplace and the Environment

B. The Consumer and the Economy
- The Economic System
- Interdependence
- Economic Problems

C. Political and Social Systems Influence the Marketplace
- Government: Public Policy, Regulations, Interest Groups
- Society and the Individual: Roles, Cultural Values and Quality of Life
- Social Change: Households and Workplace
- Advertising

II. YOUR ECONOMIC DECISIONS

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- Values and Goals
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- Lifestyle

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MODULE I

THE CANADIAN MARKETPLACE AND YOU

JOE'S SHOP
SPORT SHOP

TEACHER NOTES

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Activities in bold type are recommended core activities to be completed when **Project Real World** is used as a full course of instruction.

THE CANADIAN MARKETPLACE

Introduction

JOE'S GENERAL STORE

Canada has a market economy. This means that many goods and services are available for a price in the marketplace. The Canadian marketplace is tremendously complex and it becomes even more so with each passing day. Each week dozens of new products and services become available. The number and variety of products currently offered to Canadian consumers is huge.

Technology has played a major role in shaping today's marketplace. Technology means that many products are more sophisticated - 20 years ago no one even dreamed of a computerized car. It also means that new techniques are used for selling products - television ad channels, for example - and for delivering services. Automated tellers are a good example of the way that technology allows a traditional service to be delivered in a new way.

Canadians' desire for goods and services and for an ever-expanding marketplace has done tremendous harm to the environment. For example, air pollution is largely caused by our reliance on the automobile for both transportation and status. The huge amounts of garbage which exist throughout North America are caused by our desire for single-use products and acceptance of highly packaged consumer goods. Today there is some recognition of the effect that the marketplace is having on the environment and efforts to turn the situation around are beginning.

Changes in the marketplace and recognition that the marketplace influences (and is influenced by) the rest of society place a great responsibility on the consumer. To function effectively in today's marketplace consumers must be:

- aware of their own values, goals, priorities;
- knowledgeable about the products and services available;
- able to make informed decisions which reflect their personal values, goals and priorities;
- aware of their rights and responsibilities; and
- able to actively participate as consumer citizens and influence the shape of the Canadian marketplace.

Consumers who are aware of their own values, goals and priorities will be able to survey the huge range of projects and services available in the marketplace and identify those that meet their needs - those that help them realize their long-term objectives in life.

Consumers who are knowledgeable about the goods and services available in the marketplace are able to obtain their preferred items as economically and as efficiently as possible. They get the best quality for the least amount of money.

Consumers who make informed decisions use a planned, deliberate process to make their decisions. Because planned decision-making involves identifying possible courses of action and weighing the consequences of each before making a final decision, consumers who use this process are more likely to be satisfied with their decisions than are consumers who buy on impulse.

Consumers who are aware of and act on their rights and responsibilities avoid marketplace problems.

Finally, consumers who are active citizens in the marketplace make their voice heard and influence the products, services, policies and legislation that shape our marketplace.

Purpose

This first chapter in **Project Real World** introduces students to the Canadian marketplace. In particular, it emphasizes the changes which are taking place in the marketplace and current marketplace trends.

Scope

This chapter on the Canadian Marketplace covers four topics. They are:

1. The Changing Marketplace
2. Technology in the Marketplace
3. The Marketplace and the Environment
4. Choices and Challenges

Portions of this introduction have been adapted from: Green, Hayden C. (1988). *Consumers in the economy* Cincinnati: South-Western, 2nd Edition.

1. THE CHANGING MARKETPLACE

For the Teacher

During the past 20 years, our society has changed at an unprecedented rate. This change will continue in the century ahead. Futurists predict that the pace of technological change will increase and that twenty years from now new types of equipment, undreamed of today, will be commonplace. New products, new services, new methods and new knowledge are also occurring.

The impact of continuing change is very evident in the marketplace. The number of new products available increases steadily and products are more sophisticated than ever before. Everything from automobiles to sports equipment is computerized. New materials and manufacturing processes mean that traditional products are appearing in new forms.

Social trends are influencing the marketplace too. One trend which has had a tremendous impact is the emphasis on the environment. Increasingly, manufacturers, distributors and consumers assess products in terms of their impact on the environment.

Related Content

Module I, The Canadian Marketplace and You; Chapter C, Political and Social Systems Influence the Marketplace; Topic 3, Social Change: Households and the Workplace.

ACTIVITY #1
THE CHANGING MARKETPLACE

Objectives: Students will be able to:

1. Demonstrate that the marketplace is more complex than ever before and that this complexity is likely to accelerate in the years ahead.

Teacher Preparation: Ensure that students have access to community resources.

Time: 10 to 15 minutes for introduction. Two to three hours of out-of-class research. One class period for preparation of reports.

Procedure: Divide students into groups of two to four. Each group is to investigate a different type of product or service in the marketplace. Students should attempt to identify products and services or special features which have come on the market in the last 10 years and products, services and features which are currently under development and will be on the market within the next 10 years. In order to gather information students can:

- interview or write manufacturers.
- interview retailers.
- examine ads in general magazines and in trade publications.
- look at catalogues.
- survey merchandise in stores.

Some specific areas of the marketplace which can be investigated include:

- sporting goods - computerized bicycles, fibreglass skis and skates, "air" running shoes, etc.
- automobiles - new models, new gas saving and pollution-reducing features, computerized features, etc.
- food - microwavable products, sparkling water beverages, low calorie products, single-portion packaging, etc.
- communications - cellular phones, new telephone features such as call-waiting, fax machines, etc.
- home office equipment - computers and calculators.
- home entertainment - televisions, stereos, compact disc players, VCRs, etc.
- children's toys - computerized games, elaborate adventure toys, etc.
- financial products and services - new types of bank accounts, automated tellers, mortgage approval by phone, instant RRSP receipts, extended hours, etc.

After students have completed their research, have each group make two large posters. The first poster should list, as specifically as possible, all of the new products, services and features which have come on the market in their area of investigation during the past ten years. Students should attempt to provide illustrations for some of these new products and services. Illustrations can be cut from advertisements or drawn. The second poster should list all of the products and services in their area of investigation which are under development and will be on the market five or ten years from now.

At the conclusion of this activity emphasize that new technology has made the marketplace more complex than ever before and that this complexity will accelerate in the years ahead.

Evaluation: Be conscious of students' informal remarks. Comments such as, "There sure are a lot of products." "It would be hard to know what to buy." "I never realized you could buy all these things", suggest that the objective has been achieved.

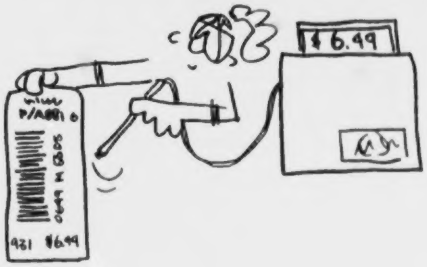
Additional Activities:

1. This activity, as described, is fairly time-consuming. If a quicker version of the same activity is desired, have a 10-15 minute brainstorming session. Divide the class into groups of four or five. Have each group identify as many products, services and features as possible which have come on the market during the past ten years. At the end of the brainstorming session ask students to draw a conclusion about whether the marketplace is becoming more or less complicated.
2. Tell students that new products and services in the marketplace sometimes mean that consumers must learn new skills. For example, when VCRs first came on the market, people had to learn how to hook them up and operate them. When fibreglass skis were first sold, people had to learn how to ski with this lighter, more manouverable equipment. In the activity just completed, students identified products and services which have come on the market during the last ten years. As a class or in groups, have students list a dozen new products or services and then identify whether each requires that consumers learn new skills. Students should list the skills that consumers need to learn for each product.
3. Have students identify products which were readily available in the marketplace 10, 20 or 30 years ago but are no longer being sold. In order to identify products, students can look at old catalogues and magazines, ask retailers. Some products no longer readily available are bell-bottom trousers, cigarette holders, corsets, floor polishers and mustache wax. Students should identify the reasons why each of these items is no longer a big seller.
4. Have students visit a community museum to identify products which were sold 50-100 years ago but are no longer available.

2. TECHNOLOGY AND THE MARKETPLACE

For the Teacher

Technology is the use of machinery and automation in production and delivery of goods and services. Today technology is used extensively in the marketplace.



Retail Sales

Technology is used in retail stores for a variety of purposes. It can be used to promote products. For example, clothing stores that cater to teenagers frequently run videos continuously. The videos usually feature the fashions which are for sale. Building supply stores also use videos. The videos usually provide instructions for using the products available from the store.

Technology is used to prevent theft in many retail stores. Examples include surveillance cameras and electronic chips attached to the tags on goods. If these chips are not removed or deactivated by a salesperson they will ring an alarm when taken past a certain point.

Technology can make the sales process much simpler. Most shops now "bar-code" their products. This eliminates the need to price each item individually, saves time during check-out and reduces the possibility of cashier error. New types of cash registers have been developed during the past decade. The cash registers in fast-food restaurants usually don't have numbers. Instead, the keys feature the names of the products sold and the cash register is programmed to automatically ring in the appropriate price. "Talking" cash registers are used in many supermarkets.

Technology is also used to deliver old products and services in new ways. Telemarketing, in which goods and services are sold over the telephone, is now used extensively to market a wide range of products. Telemarketing is made easier through the use of computerized address lists. Today the development and sale of computerized mailing and address lists is big business. Such lists are used by direct marketing companies as well as by telemarketing companies. Direct marketing companies sell products and services using advertising sent through the mail.

Marketing

Television has become a new sales medium. Many cable networks feature shopping channels on which retailers promote and sell a variety of products and classified ad channels. Regular television programming is used for direct selling as well. Some advertisements for products and services include a toll-free number and viewers are urged to call immediately to place an order.

Most stores, mail-order and telemarketing companies, and financial institutions use computers to keep records of their customers' accounts. Occasionally, because of computer or human error, mistakes can occur in these accounts. Consumers who know the steps to follow when such mistakes occur will have a better chance of having them corrected.

Financial Institutions

Technology is also used extensively by financial institutions. Today all financial institutions use computers to keep track of their customers' accounts and many have **automated tellers** which allow customers to complete financial transactions without ever talking to another human being. Automated tellers are often located in shopping centres, gas stations and department stores as well as at financial institutions.

Related Content

Module III, Resource Management Skills; Chapter A, Financial Planning; Topic 4, Banking; Activity #3, Automated Tellers Made Easy.

ACTIVITY #1

TECHNOLOGY EVERYWHERE

Objectives:

Students will be able to:

1. Identify applications of technology which are common in the marketplace.
2. Identify the purposes of each of these applications of technology.
3. Identify the advantages and disadvantages of each of these applications of technology for both suppliers and consumers.

Time:

One-half class period.

Procedure:

Divide students into groups of three or four. Have each group think of a supermarket, a department store, a financial institution (banks, credit union or trust company) and a restaurant and prepare a written list of all of the ways that each uses technology during selling. Some examples include:

- bar coding of products.
- talking cash registers in supermarkets.
- tills with product names on the buttons rather than numbers (in many fast-food restaurants).
- electronic surveillance cameras.
- security bars attached to clothing which ring an alarm if not removed.
- videos illustrating current fashions (often seen in the clothing sections of department stores) or showing how to use certain products (often seen in home supply and building product stores).

While in their groups, have students write two or three sentences about each of these uses of technology, describing what its function is and outlining its advantages and disadvantages for both the supplier (store, supermarket or restaurant) and the consumer. Have each group submit their work.

Evaluation:

Examine students' written work. Do students identify the purpose of each item of technology? Do they recognize that there may be disadvantages associated with particular types of technology as well as advantages?

Additional Activities:

Remind students that most of the technology that they see in the marketplace today is relatively recent; much of it has been developed within the past ten years. Divide students into three or four groups. Have them develop a list of questions to use when interviewing senior citizens about the marketplace in the 1940s, '50s and '60s. Ask students to interview senior citizens to obtain information about what the marketplace was like before technology was used to such a great extent.

Students should be as specific as possible in their questions. For example, they might ask, "How were prices marked on items before bar-coding was invented?" "How did stores control theft before electronic tags?"

ACTIVITY #2

TELEPHONE AND TELEVISION SALES

Objectives:

Students will be able to:

1. Describe the extent to which telephone and television sales are used in their community.
2. Identify the types of products which are sold through telephone and television sales.
3. Compare the prices of products sold through telephone or television sales to the prices of similar products sold through stores.
4. Identify the advantages and disadvantages of telephone and television sales from both the consumer's and the supplier's point of view.

Teacher Preparation:

Ensure that students have access to community resources. Contact the nearest Consumer and Corporate Affairs Canada office to get copies of the "Shopping by Phone" pamphlet.

Time:

10 to 15 minutes for introduction. One or two hours of out-of-class research. One class period for compilation and presentation of findings.

Procedure:

Explain to students that traditionally there have been two main methods for selling goods to the public - through retail stores and mail order catalogues. These methods are still important today, but modern technology (or old technology used in new ways) has provided additional methods of selling goods and services. Tell students that they are going to look at four of these methods in class. They are:

• **Telemarketing** - using the telephone to sell products or services. Typically, operators phone people in a particular area or people whose names appear on a list and attempt to sell them a product or service. Television shopping - special channels on cable TV systems which feature products sold by commercial firms.

• **Classified ad channels** - special channels on cable TV systems which accept ads from the general public. Items sold are very similar to those listed in the classified ads section of the newspaper.

• **Direct selling via television** - commercials on regular television channels which are followed by a toll-free telephone number. The consumer can place an order immediately by calling the toll-free number.

Write the names of these four selling techniques on the board.
Divide the class into groups of three to five students. If the class is small, one group can work on each sales method. If it is large, two groups might be assigned to the same method. Each group has two assignments:

1. To research the extent to which a particular sales method is used in their community and to compare the prices of goods and services offered this way to the prices of goods and services offered through local retail shops.

   Research can be conducted by surveying community members, by analyzing television programming and by comparing prices of goods sold through television and telephone with those available through retail stores or the classified ads in the newspaper. Students can display their findings in the form of charts, graphs or lists. (Note: In some communities, it may be necessary to obtain permission from civic officials before conducting a written, telephone or door-to-door survey.)

2. To consider the advantages and disadvantages of a particular sales method, both from the supplier's point of view and from the consumer's point of view.

The questions below will help students begin to identify advantages and disadvantages.

Advantages and Disadvantages from Consumer's Point of View

- Can you see, handle or try on the merchandise?
- Can you meet your friends like you do when you shop downtown or at the mall?
- Can you browse?
- Does it save you time?

- How does the price of the products compare to those available from other sources?
- Is there a postage and shipping charge? If so, does it raise the price above prices charged by other suppliers?
- How easy is it to return items if they aren't suitable?
- Does this selling method promote or prevent impulse buying?

Advantages and Disadvantages From Supplier's Point of View

- Does this type of marketing reach people who might not normally buy this product?
- Is this type of marketing cheaper than a retail store would be? (Note: The costs associated with a retail store are eliminated, but there are costs for television time and for creation of commercials. In the case of telemarketing, phone salespeople have to be hired.)
- Does it require a larger or smaller inventory of stock than retail sales?

Have students write their lists of advantages and disadvantages on flip chart paper for display in the classroom.

Evaluation:

Examine the charts, graphs and lists prepared at the conclusion of assignment #1 to assess whether Objectives #1, #2 and #3 have been achieved. Since there is no single right answer for this assignment, it may be appropriate to discuss the research methods used by the groups. The accuracy of the charts, graphs and lists depends largely upon the thoroughness of the research techniques.

To assess whether Objective #4 has been achieved, examine students' lists of advantages and disadvantages from both the consumer's and supplier's point of view. If necessary, ask students to give reasons for their conclusions.

Additional Activities:

Have the manager of a telemarketing company or the owner of a company that sells products through television speak to the class.

ACTIVITY #3

COMPUTERS AREN'T PERFECT

Objectives:

Students will be able to:

1. Follow a series of problem solving steps to correct computer errors in the marketplace.

Teacher Preparation:

Duplicate class sets of the handouts, "The Computer Goofed - What Should I Do?", and "The Computer Goofed - Solving the Problem".

Time:

One class period.

Procedure:

Explain to students that most companies which sell goods and services use computers to maintain records of their customers' accounts. Usually computers make accounting quicker and more convenient, but the people who operate them can make mistakes. Distribute the handout, "The Computer Goofed - What Should I Do?". This handout describes five situations in which either computer or human error (or both) has occurred. The result is a problem with some type of financial record.

Divide students into groups of three or four. Have each group pick out a couple of situations that interest them. They should discuss what they might do in each situation in order to get their records straightened out and make a written list of their suggestions. Allow 15 to 20 minutes for group discussion and then call the class together again. Using one situation, have the class as a whole identify a series of steps that can be followed when dealing with situations where computer or human error has occurred. Some suggested steps are outlined in the handout "The Computer Goofed - Solving the Problem".

Evaluation:

At the end of the activity examine the list of suggestions that students generated for coping with situations in which a computer or human error appears in an account statement. Do they emphasize the need to keep copies of all correspondence and other documentation, the need to be persistent but polite, the need to be specific?

Additional Activities:

Invite the manager of the accounting or credit department of a local store to speak to the class. This individual should focus on methods that customers can use to correct computer and human errors in accounts and other records.

STUDENT HANDOUT:

THE COMPUTER GOOFED - WHAT SHOULD I DO?

To accompany Activity #3, "Computers Aren't Perfect"

If the people who operate a computer feed incorrect information into the computer, the bills, financial statements and other documents produced by the computer will be incorrect. That's what happened in each of the situations below. Pick out two situations that interest you and identify the steps that you might take to get the problem straightened out.

1. You have a charge account with a local department store. Last month you sent in your regular payment, but the payment wasn't credited on your monthly statement. You know that the cheque has been cashed because it was returned to you with your bank statement. The store has sent you a letter asking that you bring your account up-do-date. What should you do?
2. You belong to a mail order book club. Last month you ordered a book for $27.50. The book arrived promptly along with an invoice for $275.00. What should you do?
3. Your bank statement arrives at the end of the month. You made a deposit of $300.00 in the middle of the month but it doesn't appear on your bank statement. What should you do?
4. You have a charge account with a local department store. When you get your monthly statement you find that several items that you didn't buy have been charged to your account. What should you do?
5. You have a charge account with a local store. You buy a shirt that turns out to be too large for you so you return it and ask for a credit on your account. At the end of the month, when you get your statement you discover that you are being charged for the shirt you returned. You didn't get a credit. What should you do?

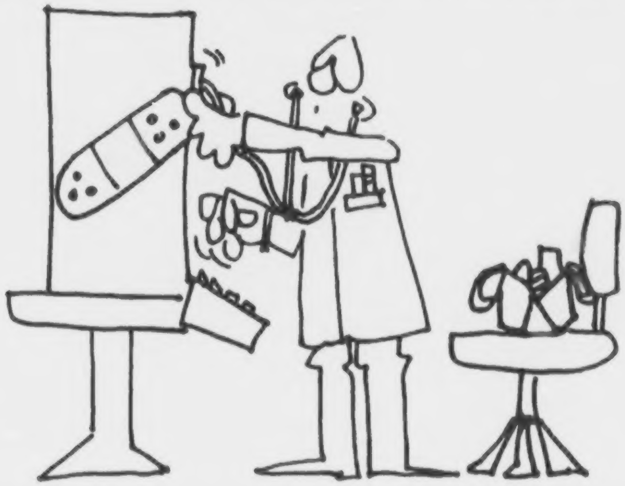
YOU GOOFED
STATEMENT
BOOK - $275.00
OWING....

STUDENT HANDOUT:
THE COMPUTER GOOFED - SOLVING THE PROBLEM

To accompany Activity #3, "Computers Aren't Perfect"

Follow the steps outlined below to straighten out computer errors:

- Collect all invoices, bills, receipts, cancelled cheques, bank statements, etc. that relate to the problem. Photocopy them and be sure to keep the originals in a safe place.
- Go to the local office of the bank, store, or company, with which you are having problems. Explain the situation using your bills, receipts, cancelled cheques, etc. as proof.
- Be specific about what you want. You might say:
  "I want the deposit I made on March 21 credited to my account."
  "I returned these items, so I want you to give me a credit for them on my account."
  "I didn't buy this item. You've made an error on my account. Please take this item off my account."
- Be persistent but polite. If the clerk can't help, ask to see a supervisor. Don't lose your temper or get mad; be firm and persistent. If necessary, tell the people you talk to that you're prepared to stay all day or until the problem is resolved so they might as well deal with you now.
- When you get home, write a letter to the store or bank confirming the decisions made. Keep a copy of the letter.
- If necessary, write to the head office of the company. Enclose copies of all bills, receipts and correspondence. Send a carbon copy of your letter to the local branch of the company that you are dealing with.
- In all letters be polite, firm and business-like. Never call the company names or use insults.
- When the problem is finally resolved write to the head office expressing your feelings about the way it was handled. Was the problem dealt with quickly and efficiently or did it take a long time to solve? Let the company know how well it is serving you.



Solving THE PROBLEM

3. THE MARKETPLACE AND THE ENVIRONMENT

For the Teacher

In the past few years, there has been a growing recognition of the harm that we are doing to the environment through indiscriminate consumption and waste. The result has been an increased awareness that protecting the environment depends upon the decisions and actions of many individuals and the development of many new "environmentally-friendly" products.

Making the big decision to be "environmentally conscientious" depends a lot on how you picture your community, your province and your country. If your vision includes safe and stimulating communities, food for all, rolling productive grain fields, clean lakes, abundant fish and wildlife, picturesque mountains, and a beautiful Canada you have expressed values which depend upon your actions now.

Deciding to be an **"environmentally conscientious"** consumer means making considerable changes in your attitudes, values and habits, behaviour, and choices - your lifestyle. It means taking a look at everything you do and how you do it and deciding if changing your ways would be more caring to the environment.

Choosing to lead a life that is sensitive to the environment may involve some tradeoffs. You may decide to change, give up, or restrict your use of some modern conveniences that we have come to take for granted, such as electric can openers, power lawn mowers, air conditioners, aerosols, and throw away items like paper towels, plastic bags, and disposable diapers. A good place to begin is to take a close look at all the areas of your lifestyle and consider their impact on the environment.

Your plan to lead a more environmentally friendly life does not have to be too daunting. You can make a significant contribution by being a responsible consumer. For a start, you can avoid buying overpackaged products and explain why to stores. You can also take your grocery bags back to the store to pack your next groceries.

Whatever course of action you decide to take, your plan will be highly individual, depending on your circumstances, needs and values.

Consumers who "think globally and act locally", consider the global impact of their choices and act responsibly in personal, family and community decisions, have an added advantage. They save lots of money by reducing, reusing, recycling and recovering. (The Four R's of conservation)

Related Content

Module II, Your Economic Decisions, Chapter C, Choose to Conserve.

MARETPLACE and the ENVIRONMENT

ACTIVITY #1

THE ENVIRONMENTALLY CONSCIOUS CONSUMER

Objectives: Students will be able to:

1. Analyze their purchases and identify those which are environmentally friendly and those which are not.
2. Identify changes that they might make in their purchasing decisions in order to be more environmentally friendly.
3. Make a commitment to improving their consumer habits with the environment in mind.

Time: One class period.

Procedure: Divide students into groups of four or five and have them list purchases they have made in the past four weeks. Have students assess whether each purchase was environmentally friendly. They should consider:

- excess packaging
- was the item really needed?
- waste disposal
- hazardous chemicals in the item
- hazards in production or disposal
- does it use energy?

For each item that is determined to be harmful to the environment, have students identify an alternative which could have been used or purchased. For example, they could have asked for fast food on a napkin or china plate rather than a styrofoam box. Have groups share their examples and ideas with the whole class.

Have the class as a whole make a commitment to changing or eliminating one consumer habit in an attempt to improve the environment. Perhaps teacher and students can stop using lead pencils and use mechanical pencils instead in order to conserve trees.

Evaluation: To assess whether Objective #1 has been achieved, look at students' lists of purchases. Have they correctly identified those that are harmful to the environment and those that are not. Students who have achieved Objective #2 will have identified an alternative product which can be used instead of each environmentally harmful product. Assess Objective #3 after a week or so has passed. Ask students to report honestly whether they kept their promise to change one particular consumer habit.

Additional Activity: Have students evaluate a number of consumer products using a chart like the one below.

Item	Environmentally Safe (Yes/No)	Environmentally Hazardous (Yes/No)	Reasons Why	Alternative

ACTIVITY #2
CONSERVING ENERGY

Objectives:

Students will be able to:

1. List the monetary and energy costs of different makes and models of a major appliance.
2. Suggest non-electrical substitutes for electrical appliances.
3. Identify ways of reducing energy use when non-electrical substitutes aren't possible.

Teacher Preparation:

Obtain examples of the ENERGUIDE label which must appear on all major appliances sold in Canada.

Time:

10 to 15 minutes for introduction. One hour out-of-class research. One class period to present findings.

Procedure:

Tell students that appliances account for almost 25% of a home's energy use and most sold in Canada use more energy than necessary. Eco-conscious consumers buying appliances should look at two price tags - the monetary price tag, and the energy price tag.

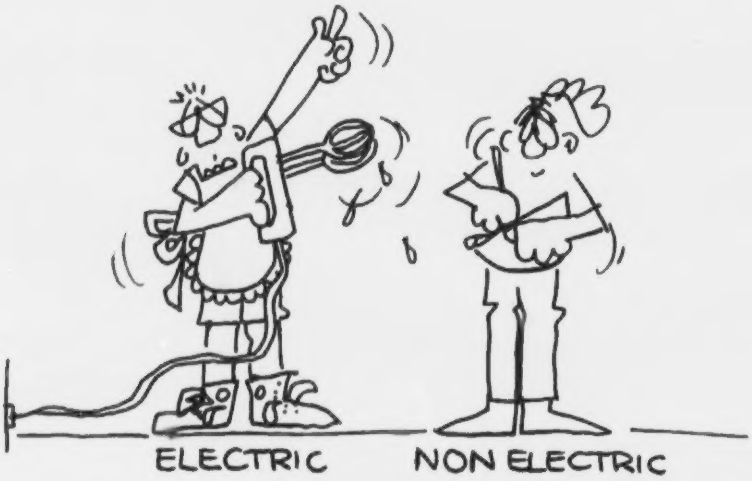
Every major appliance sold in Canada since the early 1980's must carry an ENERGUIDE label which identifies its energy use. The federal government also produces an ENERGUIDE DIRECTORY explaining the method of calculating the energy price tag, and giving advice on the economical use of major appliances.

Divide the class into six groups. Assign each group to a different major appliance - stove, refrigerator, washer, dryer, dishwasher and freezer.

Have each group survey local stores or consult mail-order catalogues to compare the monetary cost and the energy cost of different brands and models of the appliance assigned to them. Comparisons must be between appliances and the same size and capacity. Have each group:

- Identify the make and model which would be the best choice for an eco-conscious consumer.
- Determine the costs of operating each make and model of appliance for a year by multiplying the number on the ENERGUIDE label (number of kilowatt hours) by 12 and then by the average cost of electricity per kilowatt hour in your province.

Back in the classroom, have students record their findings on a large class "Appliance energy use chart."



Then have students work in groups to:

- Compile a list of small electrical appliances in and around the home.
- Note those for which non-electric substitutes can be found (for example, a hand beater instead of an electric mixer).
- Compile a list of ways the eco-conscious consumer can reduce the amount of electricity used where a substitute for an electrical item may not be practical. For example, lowering the setting of the thermostat on the water heater.

This information also can be displayed on a large class chart.

Evaluation:

Assess whether Objective #1 has been achieved by examining the class chart displaying students' findings concerning monetary and energy costs of major appliances. Assess whether Objectives #2 and 3 have been achieved by examining students' class chart on home electrical use.

Additional Activities:

1. Have students compare the energy use by a self cleaning oven and the energy used by one that has to be cleaned manually. Students might be surprised by their findings. Since self-cleaning ovens have good insulation and thus require less energy for cooking this may compensate for the energy used during cleaning.

2. Discuss chlorofluorocarbons (CFCs) with students. They are the chemical compounds that destroy the earth's protective ozone shield. CFC-containing products include foam insulation, coolants in refrigerators and air-conditioners, insecticides, foam products. Much has, and is being done by government, industries and business to improve energy efficiency and phase out CFCs. Canada plans to phase out 85% of them by 1999. Industry and business are working hard to find replacements for CFC producing products or to find methods of recycling such products.
   Have students write down all of their activities from the time they got up that morning until their arrival at school. The should note items they used, applied or put on (for example, clothing and make-up). Next, have them list everything they used or applied that was made of, or contained, plastic or foam or other CFC producing products. Beside each of the items in the lists, have students note alternatives to the CFC producing products.

3. Repeat the activity in additional activity #2 above but this time have students list all of the ways in which they used electricity during the day. Ask them to identify ways in which they might have reduced the amount of electricity used.

4. Tell students that the biggest producers of CFCs are: automobiles, air conditioners, insulation, disposable diapers, foams, plastics.
   Have students research what is being done to reduce CFCs in each of these products by industry and manufacturers.
   - How can consumers support such action?
   - In what other ways can consumers reduce the amount of CFCs released into the air?

5. Display the federal government's Environmental Choice Logo, three doves connecting in the shape of a maple leaf, which appears on products made with recycled plastic or ecologically safer alternatives. Have students survey the products for sale in local stores and make a list of those which feature this logo.

4. CHOICES AND CHALLENGES

For the Teacher

The changing nature of the marketplace has both positive and negative aspects for the consumer.

The increased number and variety of products now available gives the consumer more choice, but it also means that more time and information is needed to make purchasing decisions.

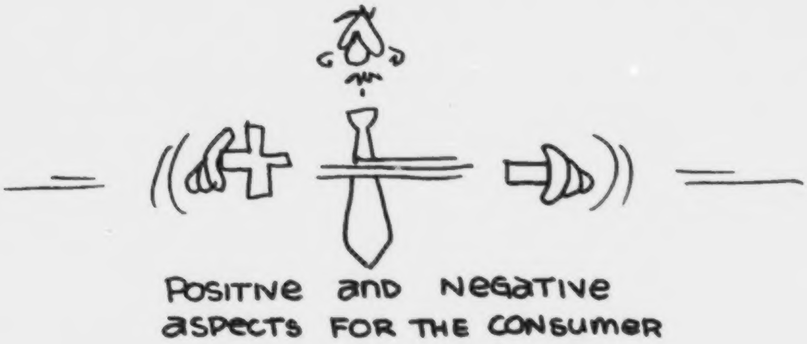
Using electronic technologies such as television and telephone to sell

Products and services can be a convenience for the consumer or a nuisance and an invasion of privacy depending upon the consumer's individual situation.

Many different types of technology are used routinely in retail stores and financial institutions. There is always a question about whether these technologies benefit the consumer or whether they are installed primarily for the merchant's convenience.

Modern technology makes it possible for organizations, financial institutions, medical offices, etc. to store tremendous amounts of consumer information. This raises concerns about confidentiality and possible misuse of information. For example, one organization could provide information about a consumer to another without the consumer's knowledge.

There is a need for consumers to be conscious of continuing changes in the marketplace and to evaluate their usefulness and value. Only then will consumers be in a position to make their opinions known and influence the marketplace of the future.



ACTIVITY #1

TECHNOLOGY: ADVANTAGES AND DISADVANTAGES

Objectives:

Students will be able to:

1. Identify the advantages and disadvantages of technology.

Teacher Preparation:

Duplicate a class set of the handout "Debates".

Time:

10 to 15 minutes for introduction. Two or three hours of out-of-class preparation for those participating in the debate. One class period for debate.

Procedure:

(Note: This activity is a debate. By its nature, participation in a debate is limited to about six students. In order to compensate for this problem, several debates have been included in the **Project Real World** program. They appear in about every second chapter of this program. Holding one debate every two months, using a different topic each time and assigning different students to the debate, will ensure that all students have an opportunity to participate in a debate by the end of the year).

The debate for this chapter is "Be it resolved that technology is harmful to the consumer".

The procedure for conducting a debate is described on the handout, "Debates". Distribute this handout to students and discuss it as necessary. Select judges and team members.

Briefly discuss some of the advantages and disadvantages of technology with students and suggest that students do additional research. They may want to interview manufacturers and retailers of consumer products to gather further information. As well, students may want to do research to find examples or case studies of individuals or families whose lives have been either enriched or damaged through the use of modern technology.

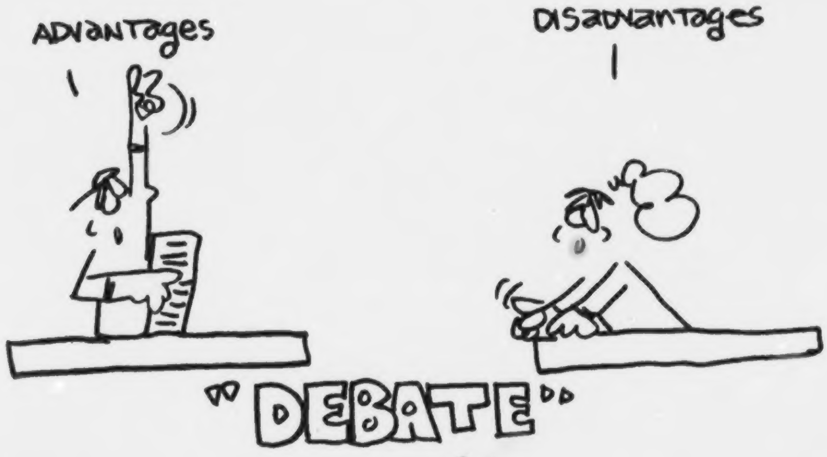
Evaluation:

In this activity, it will be possible to directly evaluate only those students who participated in the debate. If a formal evaluation of the rest of the class (those who watched the debate) is desired, ask the observers to write a paragraph in which they act as judge, selecting the winning team. The students should give reasons for their choice.

Additional Activities:

Other debate topics for this unit include:

- Be it resolved that the number of new products entering the marketplace should be limited.
- Be it resolved that computerization of the marketplace should be encouraged.
- All of a person's health records should be stored on a central computer accessible to anyone who has a doctor/patient relationship with the person.
- The government should establish laws concerning the confidentiality of information in data banks.



STUDENT HANDOUT:
DEBATES

To accompany Activity #1, "Technology: Advantages and Disadvantages"

The essence of debating involves taking sides on an issue and then presenting arguments for or against that issue. For example, your teacher may ask the class to debate the following issue, "Peace in the World is More Important to Women than to Men". In debating terms, this is called the proposition. The proposition defines the issue that will be debated.Two teams debate the proposition, one team is for it, the other is against it. The team that argues in favour of the proposition is called the affirmative team, the team that argues against it is called the negative team. There are an equal number of people on each team. Teams can be composed of between two and five people.

Once affirmative and negative team members have been selected the next step is research. You and your fellow team members will search through books, magazines and other materials to find evidence to present the strongest possible arguments to prove your case. You can also interview people in order to obtain information.

During research you need to discover the main issues involved. It is not enough to concentrate on your side of the issue or proposition. You must also be aware of all the opposing arguments.

In debate, opinion counts for nothing. You can have an opinion about anything under the sun but no one will take it seriously unless you can show that it is based on some type of evidence. Therefore, during the research stage of the debate you should look for evidence that supports your case and evidence which would tend to weaken the other side's case.

Formal debates follow rigid and complex rules. Most high school students are more at ease with an informal debate.

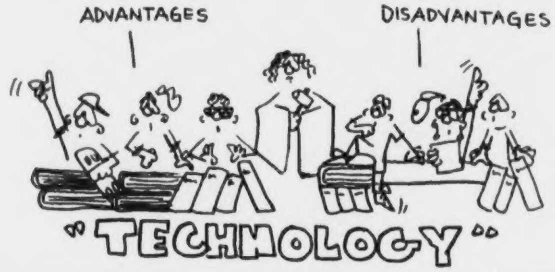
In an informal debate, each team makes an opening statement. Usually the affirmative team speaks first. In the opening statement the teams each present their strongest arguments in favour of their case. The opening statement is usually 10 minutes long. One team member can present the argument for her team or all team members can speak depending upon the rules that your class sets for itself. In an opening statement, the teams state their case but they don't attempt to discredit or counter the opposing team's arguments.

Next, each team is allowed a few minutes to prepare its rebuttal. In the rebuttal, each team responds to the opening statement made by the other team. They can attack the other team's evidence or introduce new information in an attempt to counter the other team's argument.

There is usually a judge or a panel of judges in a debate. The judges make their decision on the basis of:

- the strengths and weaknesses of the arguments.
- errors in evidence or reasoning by either team (remember opinion is worthless, all arguments must be supported by evidence).
- the effectiveness of the delivery.

Ideally, at the end of a debate the judges will formally evaluate each team pointing out both strengths and weaknesses for the benefit of observers as well as team members.



Adapted from Dunbar, Robert E. *How To Debate*. New York: Franklin Watts, 1987. Used with permission copyright 1987 by Robert E. Dunbar.

THE CONSUMER AND THE ECONOMY

Introduction

In every society, resources - natural resources, consumer goods and services, money and labour - are limited, but people's possible demand on these resources is not. Therefore, decisions must be made about how the available resources will be used. Decisions are made at several levels. Some decisions are made by **society** as a whole. For example, in our society, education is important and so resources are used to build schools and pay teachers.

Other decisions about resources are made by **governments.** A government may decide that resources will be used to build a new highway, a new fish plant or to provide medical care to individuals.

Business makes decisions about resources too. They have access to only a limited number of resources and must decide how to best use these resources to produce goods and services to be sold to consumers.

Finally, **consumers** make decisions about resources. Because they have only a limited amount of money available, they must make choices from among the many products available in the marketplace. Individuals also influence decisions about resources made at each of the three previous levels. The items they buy tell businesses how to use resources. The way they vote influences the priorities that governments set. Through participation in society they influence the way that society as a whole uses the resources available.The study of economics is basically a study of the decisions that societies make about how they will use the limited resources available to meet the wide range of possible demands.

Purpose

The purpose of this chapter on the Consumer and the Economy is to present an overview of some basic economic principles and help students understand how they, as consumers, fit into the Canadian economy.

Scope

Five topics are covered in this chapter. They are:

1. Economic Systems
2. Interdependence
3. Supply and Demand
4. Economic Problems
5. Choices and Challenges

1. ECONOMIC SYSTEMS

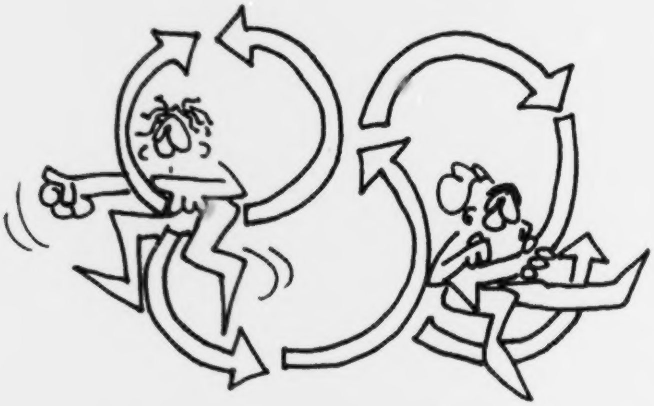
For the Teacher

What is an Economic System?
An economic system is the way that a nation brings together the scarce resources of labour, natural resources and money to produce and distribute the many things that people want and need. There is a difference between needs and wants. **Needs** are often defined as things essential to human existence or fulfilment. **Wants** are things which are desired by individuals but are not essential to human fulfilment.

People can need or want both goods and services. **Goods** are things - real objects - like food, clothing, or computers. **Services** are things that people do for other people like providing education or health care. Many businesses offer a combination of goods and services. For example a restaurant is a service because it prepares food, but it also sells goods - the actual food.

Basic Economic Questions
All economies face a basic question - people have unlimited wants, but there are limited resources available to meet these wants. It is often said that resources are scarce compared to society's needs and wants. Therefore economies must make choices about which consumer wants are most important. For example, an economic system might choose to use its scarce petroleum resources to heat houses rather than operate private cars. Making economic choices often requires a **trade-off;** something must be given up. The choices given up are called *opportunity cost*. When a society chooses to heat houses with fossil fuels, the **opportunity cost** may be the fact that no petroleum is available to operate automobiles.

Every economy must be organized in some way to determine:
- **What** goods and services will be produced?
- **How** will these goods and services be produced - that is, what resources will be used and who will produce them?
- **Who** will get to use the goods and services produced by the economy?



Different Ways of Answering Economic Questions
Different societies have developed different ways of answering the fundamental questions above. There are two basic types of economic systems, **command** economies and **market** economies. Market economies are sometimes called free-enterprise economies.

Command Economy
In a command economy, the major economic decisions (what, how and who) are made by the government. There is usually a central plan which gives direction to the whole economy. Factories which produce goods and shops which distribute them are owned by the government. There is little competition because most elements of the economic system are owned by the government. The government sets wages and prices and decides who will get the finished products.

Market Economy
In a market economy the major economic decisions (what, how and who) are made by private businesses. There is no central economic plan, instead the economy responds to the interaction of buyers and sellers in the marketplace. Factories which produce goods and shops which sell goods and services are owned by businesses. Any profits which are produced through the sale of goods or services become the property of businesses. There is competition between businesses providing goods and services.

Mixed Economy
In reality, there is no economic system which is entirely a command economy or entirely a market economy. Most are "mixed" economies. They combine elements of both these systems. However, the balance of elements varies from one economic system to another. For example, the U.S.A. has many features typical of a market economy. Most factories and shops are owned by businesses who receive the profits from these enterprises. Even the health care system is operated by private businesses for a profit. Yet some goods and services are provided by the government (as is typical of a command economy). For example, police services, military protection and education are all services provided by the government.

The Soviet Union has more of the features of a command economy than of a market economy since there is a central economic plan and many of the shops and factories are owned by the government. However, individuals grow vegetables and poultry on small private garden plots. These items are sold in the marketplace for profit and represent a significant portion of the Soviet Union's food production.

The Canadian Economy
Canada, too, has a mixed economy. Education, health care, police and military services are all provided by the government. In some provinces, distribution of telephone services and electricity is done by the government, while in others it is done by private corporations. Many of these services are offered by government because private business is unable or unwilling to provide them since they cannot be produced at a profit. These services are paid for with the taxes that citizens pay.

In Canada, other goods and services are provided by private businesses. These include clothing, entertainment, home renovations, automobiles, and furniture. Housing and food are also provided by businesses, but in some situations the government intervenes by providing subsidies for mortgages or low cost housing, or by setting up marketing boards for agricultural products.

We often say that the Canadian economy is divided into two sectors: the public sector and the private sector. The public sector consists of all the goods and services offered by government and financed with tax revenue. The private sector consists of all goods and services offered by individuals and businesses for a profit.

In addition to providing some goods and services the Canadian government regulates the marketplace for the benefit of workers and consumers. Workers benefit from minimum wage laws and from laws relating to safety, working hours, maternity, vacation and sick leave. Consumers benefit from laws relating to cleanliness in restaurants, laws which prevent big companies from collaborating to set prices and laws which define landlords' and tenants' responsibilities to each other.

Factors of Production
All economies, regardless of whether they are market, command or mixed economies, have resources that can be used to produce goods and services. The three major types of resources are **labour, natural resources** and **money** (capital). These three resources are often called the **factors of production.**

Labour includes the work that people do to produce goods and services. Labour includes planners and managers as well as those who do the actual work.

Natural resources include land and raw materials such as wood, oil and coal. Many businesses which use resources never see the resources in their original form. The resources go through several manufacturing processes before they reach a particular business. For example, a company that manufactures dresses buys huge bolts of rayon cloth from a fabric company. The rayon is made from wood pulp (a natural resource) but it goes through several manufacturing processes before it reaches the dress manufacturer.

Money (or capital) is necessary to start most businesses. (A few service businesses can be started with no capital.) The money is used to buy raw materials, pay rent and utilities, hire staff, etc. Factories, equipment and technology are sometimes also considered capital resources.

Related Content: Module V, Citizen Participation in Canada's Market-Based Society; Chapter B, Consumer Protection; Topic 1, Consumer Protection Laws.

ACTIVITY #1

ANSWERING THREE IMPORTANT ECONOMIC QUESTIONS

Objectives: Students will be able to:

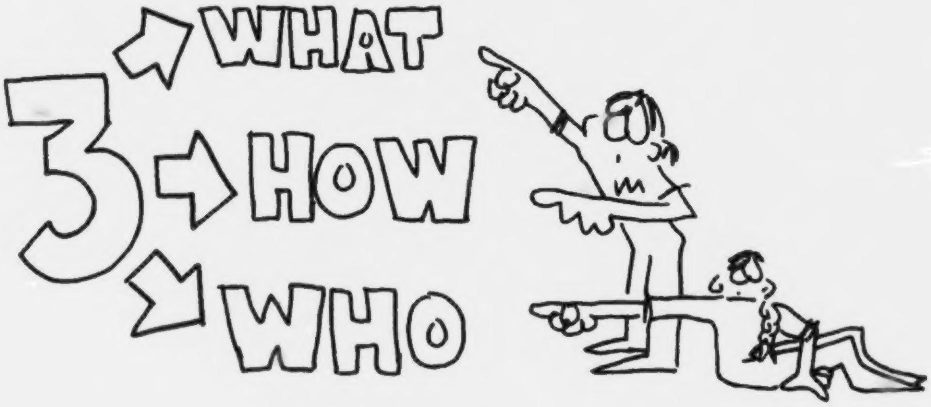
1. Analyze a local organization or business in terms of the three fundamental economic questions: what? how? and who?

Teacher Preparation: Using the master provided, make the Transparency, "Three Important Economic Questions".

Time: One class period.

Procedure: Explain to students that every economy has to answer three fundamental questions. Use the Transparency to illustrate.

- **What** goods and services will be produced?



- **How** will these goods and services be produced?
- **Who** will get to use the goods and services produced by the economy?

To illustrate these questions use the example of a space colony. Students are settlers on a planet that has been newly discovered. The planet has an oxygen atmosphere and so is somewhat similar to earth. There are many tall trees which have twisted vines instead of branches, a variety of small plants (some of which have edible roots and berries) and several species of small and medium sized animals. The planet has fertile soil and rich deposits of iron ore and nickel.

Draw the newly discovered planet on the board. Draw the tall trees, small plants and animals which grow on the planet. (Make them as fantastic or as humorous as you wish.) These are natural resources. Ask students what foods or products they will produce using the natural resources available. Will they just eat fruit and vegetables which can be gathered easily or will they domesticate some of the wild plants and animals on the planet? Will they use the deposits of iron ore and nickel to create weapons and tools?

Ask students **how** these natural resources will be used to make food or products. Will they set traps for animals? If so, what will they use for the trap? What method will they use to smelt the iron and nickel present in the earth?

Ask students **who** will get the food and products created in this space economy. Will everyone get an equal amount or will the people with the hardest jobs or the greatest strength get more than others?

Tell students that all economies have to answer the three fundamental questions of **What, How** and **Who.** On a smaller level these questions also have to be answered by every organization that provides goods or services. Identify six organizations and businesses in the local community that provide goods and services. Some possibilities include:
- the hospital
- an auto repair shop
- the school
- a restaurant
- a music store (one that sells records, tapes and compact discs)
- a video rental store

Divide students into groups of three or four. Direct students to consider each of the organizations or businesses listed on the board and to identify how each of these have answered the three basic questions What? How? and Who?

Some students may have difficulty identifying how the service organizations answer the question, "**What** goods and services will be produced?" Encourage them to think of needs. Society has a need for health care or for education and so meets the need by establishing institutions such as hospitals and schools. The organization itself decides which specific program will be offered, again, in response to the needs of the community or larger society.

Evaluation:

Listen and observe as students participate in their group discussion. Do students realize that:
- The answer to **What** goods and services will be produced is usually dictated by societal or community needs?
- The answer to **How** will these goods and services be produced depends upon the raw materials, labour and time available?
- The answer to **Who** will get to use the goods and services sometimes relates to purchasing power and sometimes relates to need?

TRANSPARENCY

THREE IMPORTANT QUESTIONS EVERY ECONOMY MUST DETERMINE

To accompany Activity #1, "Answering Three Important Economic Questions"

THREE IMPORTANT ECONOMIC QUESTIONS EVERY ECONOMY MUST DETERMINE:

What goods and services will be produced?

How will these goods and services be produced?

Who will get to use the goods and services produced?

WHAT
HOW
WHO

ACTIVITY #2

DIFFERENT KINDS OF ECONOMIES

Objectives:

Students will be able to:

1. Analyze the economy of a particular country in order to identify elements typical of command and market economies.
2. Place the economy of a particular country on a nine-point scale with market economy at one end of the scale and command economy at the other end.

Teacher Preparation:

Using the masters provided, make the Transparencies "Command Economy", "Market Economy", "Mixed Economy", "Different Economies". Ensure that students have access to library resources.

Time:

10 to 15 minutes for introduction. 30 minutes for research. One-half class period for compilation and discussion of research findings.

Procedure:

Explain the difference between a command economy and a market economy to students using the Transparencies "Command Economy, Market Economy, Mixed Economy". Then divide students into groups of three or four. Assign each group to a different country. Some possible countries include:

- China
- England
- France
- Argentina
- Bulgaria
- Poland
- Mexico
- Sweden
- Denmark

Tell students that each group is to locate information about the economy of the country assigned to it. Good sources of information include textbooks, encyclopedias and news articles about the country. As they read about each country, students should ask themselves questions such as:

- **Who pays for health care - government or private individuals?**
- **Who decides on prices for items sold in the market place - government or buyers and sellers?**
- **Who owns resource industries such as coal mining, lumbering, iron smelting - government or business?**
- **Who gets the profits from resource industries - government or private business?**
- **Who pays for education - government or parents?**
- **Who owns small shops that sell everyday items such as food, clothing and hardware - government or business?**
- **Who gets the profits from these small shops - government or business?**

Students should identify and list four or five aspects of the country under study which are typical of a command economy and four or five aspects which are typical of a market economy. Then have each group draw a line which represents a nine-point scale with market economy at one end of the scale and command economy at the other end.

Market Economy				Mixed Economy				Command Economy
1	2	3	4	5	6	7	8	9

Use the Transparency "Different Economies" to illustrate. Have students place the country they are studying at a point on this scale.

Evaluation:

In order to assess whether Objective #1 has been achieved, examine students' lists of aspects typical of command and market economies in the country they studied. Do students recognize that in a command economy, the government owns most factories and shops, makes major decisions about the direction that the economy will take and sets prices? Do they understand that in a market economy most goods and services are provided by private business which gets the profits from these activities? Do they understand that prices are set by the interaction of buyers and sellers?

In order to assess whether Objective #2 has been achieved, examine students' nine-point scale. Have they placed the country they are studying at an appropriate point on the scale?

Additional Activities:

Students might take their study of a particular country one step farther and identify the factors of production in that country. They might identify the types and quantities of natural resources available, the size and composition of the labour force and the amount of money available to start new businesses and to develop new products. Since factories, equipment and technology are sometimes also considered capital resources, students might examine these as well.

TRANSPARENCY
COMMAND ECONOMY

To accompany Activity #2, "Different Kinds of Economies"

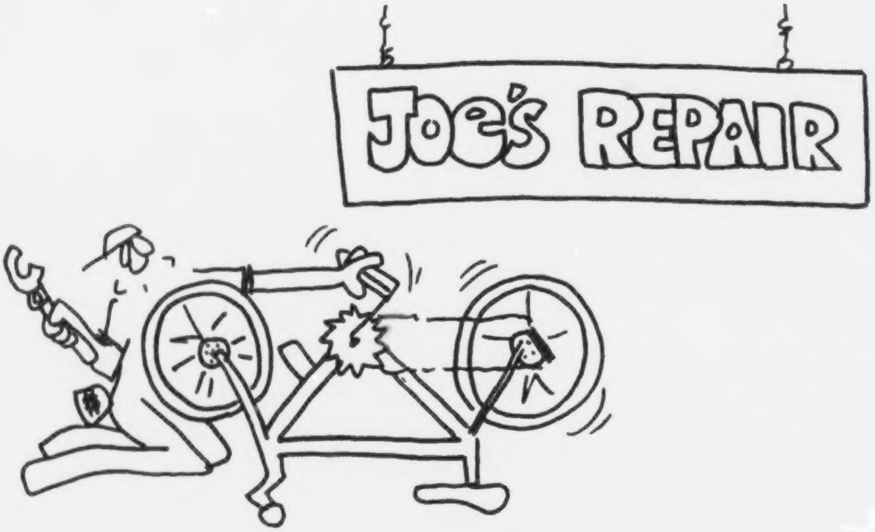
COMMAND ECONOMY

Major economic decisions (what, how and who) are made by the government.

TRANSPARENCY
MARKET ECONOMY
To accompany Activity #2, "Different Kinds of Economies"

MARKET ECONOMY

Major economic decisions (what, how and who) are made by private business.

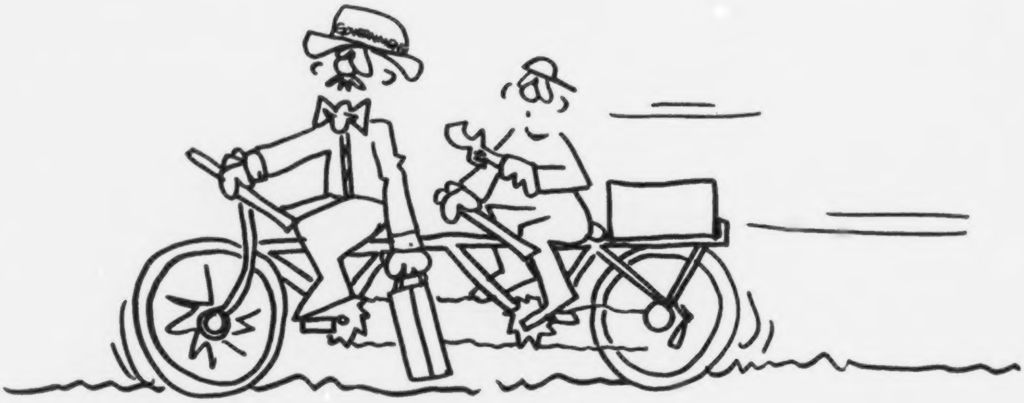


TRANSPARENCY
MIXED ECONOMY

To accompany Activity #2, "Different Kinds of Economies"

MIXED ECONOMY

Combine elements of both Command and Market economies.

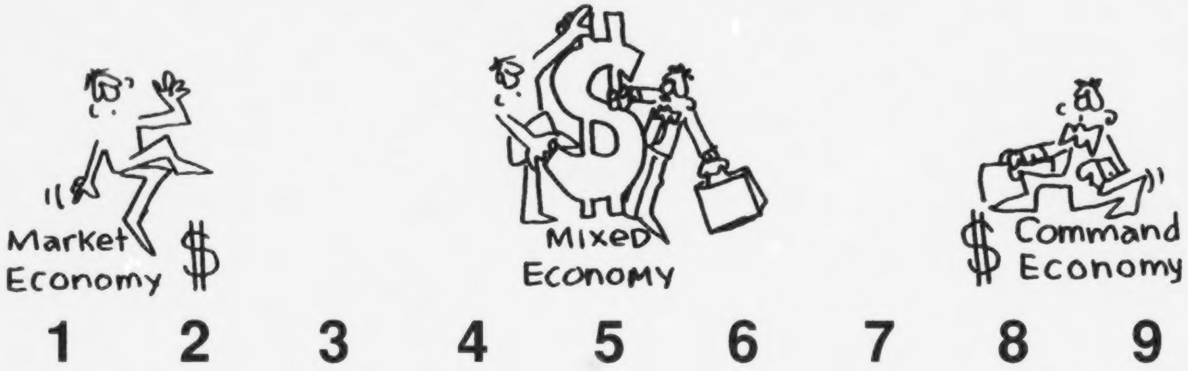


TRANSPARENCY

DIFFERENT ECONOMIES

To accompany Activity #2, "Different Kinds of Economies"

DIFFERENT ECONOMIES


Market Economy
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Mixed Economy
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Command Economy
1
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ACTIVITY #3
CANADA'S ECONOMY

Objectives:

Students will be able to:

1. List a variety of goods and services available in their community.
2. Identify whether each good or service listed is provided through the private or public sector.

Time:

One-half class period.

Procedure:

Explain to students that Canada has a mixed economy. It has features of both command and market economies, therefore the economy is often divided into two sectors - the private and the public.

Write the following definitions on the board:

1. The private sector of the economy depends upon the decisions of individuals and groups (private business) to make goods and services available. These goods and services are offered through the market mechanism; that means they are available to whomever wants to buy them and can afford the price. What consumers buy dictates what is available - if there is no demand, a product will not be sold for long.
2. The public sector of the economy includes all goods and services offered by government. The kinds of goods and services which will be offered through this sector also depends upon decisions of individual citizens. Individuals, through the power of their vote, can influence the role that governments play in providing goods and services. The money that Canadian citizens pay as taxes is used to pay for the goods and services provided by government.

Then have the class identify as many goods or services as possible which are available in your community. Students may want to look at the government listings or the yellow pages of the telephone book to help them identify goods and services. As each item is mentioned, students should decide upon the heading under which it belongs. Some items can be placed under both headings. For example, highway bus service in some provinces is provided through both the private sector and provincially-owned bus lines. Education is another example. Education is free for all Canadians. Schools are funded by the government. However, private schools also exist in some provinces. Parents pay large sums of money to send their children to these private schools.

Some possible goods and services which might be mentioned include:
- garbage pick-up and disposal - public sector
- education - public sector (sometimes also private sector)
- health care - public sector
- national defense - public sector
- automobiles - private sector
- clothing - private sector
- construction of highways - public sector
- a police force for the protection of society - public sector
- cosmetics and other beauty aids - private sector
- house cleaning services - private sector
- house repairs - private sector

Evaluation:

To assess whether Objective #1 has been achieved, consider students' list of goods and services available in their community. Have they identified a wide and comprehensive range? To assess whether Objective #2 has been achieved, look at the way that students organize these goods and services under the two headings. Are they organized accurately?

Additional Activities:

To make this activity more complex or to use it in a social studies class, discuss the three levels of government - local, provincial and federal - with students. Then have students identify the level of government which provides each good or service available through the public sector. Remember that some goods or services may be provided by more than one level of government.

ACTIVITY #4

LAWS AND REGULATIONS IN THE MARKETPLACE

Objectives:

Students will be able to:

1. Explain how governments regulate the marketplace for the benefit of workers and consumers.

Teacher Preparation:

Ensure that students have access to community resources.

Time:

10 to 15 minutes for introduction. One hour of out-of-class time for interviews. One class period for compilation and discussion of findings.

Procedure:

Explain to students that Canada's mixed economy has elements of both market and command economies. Individuals and groups are free to establish businesses if they so wish, but governments create laws which regulate some aspects of business operation. Usually these laws are designed to protect either workers or consumers.

Divide the class into groups of two or three. Have each group interview a local business person. Students should ask the business person to identify some of the government laws and regulations that affect her/his business. Some possible laws and regulations include:

- minimum wage laws
- Unemployment Insurance Commission regulations
- Canada Pension Plan regulations
- labour standards laws (overtime, vacation, terms of notice, etc.)
- zoning bylaws
- health and safety regulations

Students should ask the person they interview to be as specific as possible, identifying the laws and regulations by name.

Back in the classroom, compile a class list of all the government laws and regulations that affect private business. After each law or regulation, describe its purpose. Ask students to identify whether each law is intended to benefit the worker, the consumer or both.

Emphasize that each of these laws and regulations exists because the people of Canada want it to exist. Over the past 100 years they have voted for governments which have enacted these laws. As each law and regulation is discussed ask students to identify the value which it represents. For example, a law relating to cleanliness in restaurants indicates that citizens feel it is more important for consumers to be assured of minimum standards of cleanliness than it is for restaurant owners to have total control over every aspect of their business.

Evaluation:

Consider the comments that students make when the class is preparing the class list of laws and regulations and identifying who benefits from each. Do students recognize that government regulates the marketplace and the workplace for the benefit of workers and consumers? If a more formal evaluation is desired have students write a paragraph or two on the topic "How Government Regulations Affect Workers and Consumers".

Additional Activities:

1. Laws to protect workers and consumers have been enacted gradually during the past 100 years or so. Have students investigate what the situation was like before the enactment of these laws. They might research and write a report about:
    - Working conditions in textile mills during the Industrial Revolution.
    - Working conditions in coal mines during the Industrial Revolution.
2. Select one law which regulates the marketplace for the benefit of consumers. Some possibilities are laws which ensure cleanliness in restaurants or fire protection in department stores and apartment buildings. The name of such laws and the government department which administers them will vary from one province to another. Invite an individual with responsibility for administering the law to speak to the class about the law and its benefits for the consumer.

2. INTERDEPENDENCE

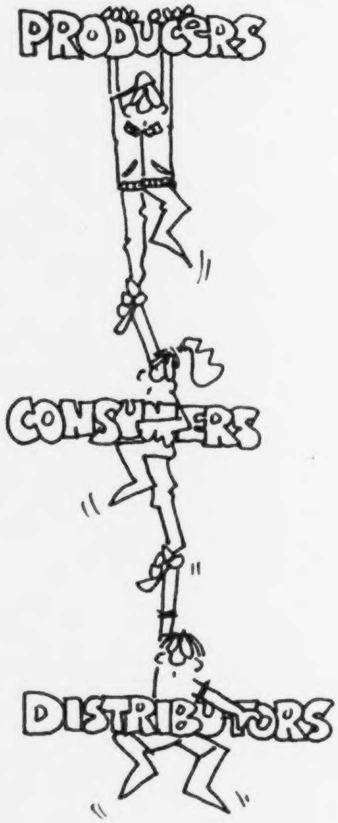
For the Teacher

Three groups of people are important to the operation of any economy: producers, consumers, and distributors. Producers are the individuals and businesses that make goods and services. People such as doctors, lawyers, hairdressers, dry cleaners, and teachers are producers of services. People who work in automobile factories and food processing plants are producers of goods.

Producers of services deal directly with their customers, but producers of goods usually don't sell their goods directly to the public, instead they sell to distributors who deal with the public. For example, factories that make household appliances sell to department and hardware stores. Companies that manufacture soap and other cleaning supplies, sell to supermarkets. Department and hardware stores, and supermarkets are distributors. They serve as "intermediaries" between producers and consumers.

Consumers are users of goods and services. Each one of us is a consumer. We use the services provided by teachers, doctors, nurses and similar workers and the goods produced by factories and farmers. Most of us are also producers and distributors. As well as consuming goods and services our work contributes to their production and distribution. Most people are both consumers and producers or distributors. As producers or distributors they make or sell the goods and services which circulate in the economy. As consumers, they buy items produced in the economy.

Producers, consumers and distributors are interdependent and all three are essential to the functioning of the economic system. A change by any one of these three affects the other two. If consumers refuse to buy a particular product, producers must stop making it if they want to stay in business. Similarly, if there is high consumer demand for another product, producers and distributors can increase their profit by making the product widely available.



ACTIVITY #1
WHERE DOES IT ALL COME FROM?

Objectives:

Students will be able to:

1. Identify the groups and individuals involved with the production, distribution and consumption of a particular item.

Teacher Preparation:

Using the master provided, make the Transparency "Three Groups Important to the Operation of Any Economy".

Time:

One-half class period.

Procedure:

Using the information in **"For the Teacher"** and the Transparency provided, discuss the roles of and relationships between consumers, producers and distributors. Select a common product such as a magazine. Have the class identify the producers, distributors and consumers involved in the product's economic cycle. For a magazine, these might include:

Producers
- loggers who cut down the trees from which paper is made
- workers in a pulp mill plant
- writers, editors and researchers who write the stories in the magazine
- advertising agencies that create the ads featured in the magazine
- printers who print the magazine
- factory that makes the ink used to print the magazine
- photographers who take the pictures used in the magazine

Distributors
- truckers who haul logs to the pulp mill, paper to the printing plant, completed magazines to wholesalers
- wholesalers who supply magazines to retail shops
- retail shops that sell the magazines to the public

Consumers
- individuals who buy magazines from retail shops
- recyclers who use discarded magazines to create other products

In order to emphasize the concept of interdependence, ask students what would happen if one of the participants in this cycle didn't do their part. If specific questions are needed ask what would happen if:
- loggers didn't provide logs to the pulp mill?
- reporters didn't write stories?
- stores didn't sell the magazine?
- consumers didn't buy the magazine?

Point out that the various producers, distributors and consumers need each other to keep the economic cycle going. Then divide students into groups of two or three. Have each group select two common products and identify the producers, distributors and consumers associated with the product's economic cycle. Students can present their conclusions in list or chart form.

Evaluation:

Examine students' lists or charts. Do they recognize that there are usually several producers and distributors associated with each product? There may also be more than one category of consumer for a particular product.

Additional Activities:

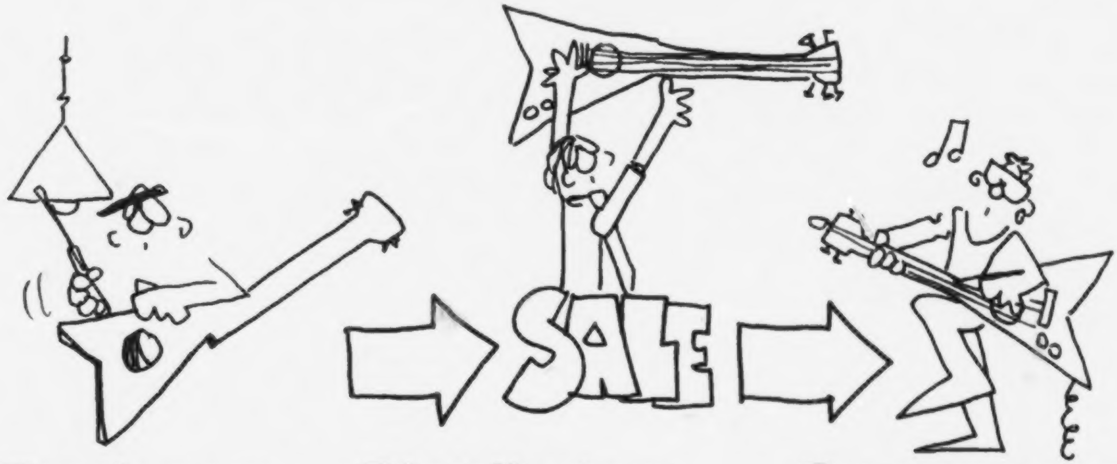
This activity can also be used to illustrate the factors of production (natural resources, labour and money). Students can select an ordinary product and identify specific types of natural resources and labour needed to produce it and specify stages in the production process where money will be required.

TRANSPARENCY

THREE GROUPS IMPORTANT TO THE OPERATION OF ANY ECONOMY:

To accompany Activity #1, "Where Does It All Come From?"

THREE GROUPS IMPORTANT TO THE OPERATION OF ANY ECONOMY



Producers **Distributors** **Consumers**

ACTIVITY #2

WE'RE ALL PRODUCERS AND DISTRIBUTORS

Objectives:

Students will be able to:

1. Identify ways in which they personally are producers and/ or distributors.
2. List goods or services which they have purchased or used in their role of consumer.

Time:

One-half class period.

Procedure:

Explain the roles of producers, distributors and consumers to students. Be sure that students understand that each person is a consumer, but most are also producers or distributors. For illustration, point out that the teachers buy things in the store in their role of consumers. In their role of producers they offer a service that is valued by society. Have each individual student identify 3-4 ways in which s/he is now or has been a producer or a distributor. Some possibilities include:

Producers
- working in fast-food or regular restaurants (producing a service)
- working on the farm (producing food)
- working in a factory (producing goods)
- painting houses (producing a service)
- mowing lawns (producing a service)

Distributors
- selling any type of merchandise in a retail outlet
- working as a paper carrier
- selling chocolate bars or other products door-to-door

Students should prepare a written list of the ways in which each of them is a producer and/or distributor. Then have each student write down four or five goods or services that s/he has purchased or used recently in the role of consumer.

Evaluation:

Examine students' lists. Do students recognize that each individual can be a producer or distributor as well as a consumer?

3. SUPPLY, DEMAND AND COMPETITION

For the Teacher

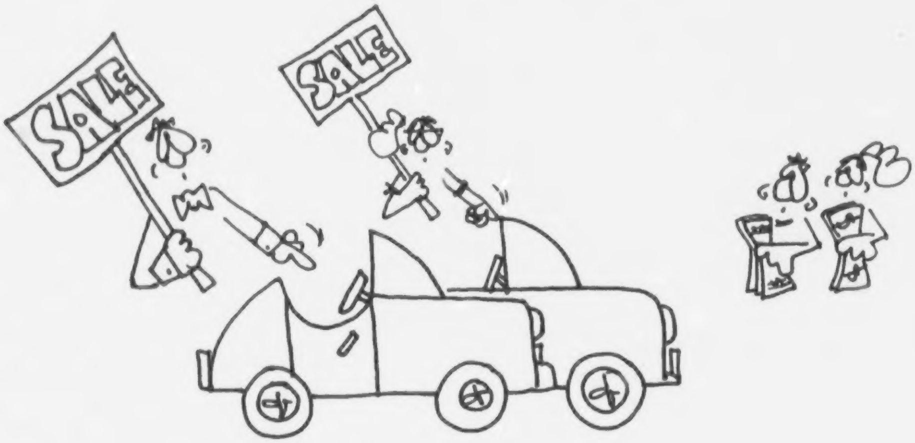
Supply and demand refer to how much of a product is available, and how much people are willing to pay for it. **Supply** is the amount of a good or service available. **Demand** is the willingness of consumers to pay a certain price for a good or service.

In a market economy, such as that of Canada, the price system is central to supply and demand and keeps the economy functioning. The price system helps answer the basic economic questions of:

- What goods and services will be produced?
- How will these goods and services be produced?
- Who will use the goods and services?

All privately produced goods and services have prices. Consumers who want to buy a particular product and are willing to pay that price can have the good or service. When buyers want more of a product the price will rise. This rise in prices will bring more suppliers into the market - suppliers who will hire more workers and purchase more raw material. In turn, this demand for workers and raw material will push up the price of these items. When the price of a good or service goes down, the opposite happens. Fewer suppliers are willing to produce or market the item and less labour and raw material are needed in that particular industry.

The result is an ongoing cycle of readjustments between the supply of goods and services in the marketplace and the demand for them. The effects of this cycle can be seen in any shopping mall. In late winter there is less demand for ski equipment, so sporting good stores hold sales to reduce their inventories. In recent years, technological improvements have made it possible to drastically reduce the price of computers. There has been a corresponding increase in demand for these items.



Competition between sellers forms the basis for the price system. Sellers compete to see who can offer consumers the goods and services they want at the lowest price. Sellers sometimes also compete to offer consumers the latest styles or the most up-to-date technology. However, price is not the only thing which influences supply and demand.

The supply of a good or service depends on a number of other factors:

- **Resources available** - Resources include raw materials such as wood, plastic and cloth. They also include electricity and other types of energy needed to manufacture the item. If resources are available and inexpensive, it will be easier to produce a larger supply.
- **Labour** - If people to manufacture and sell the good or service are available, it will be easier to distribute a greater quantity. Highly skilled tradespeople may be needed to manufacture some items.

- **Natural factors** - Agricultural products and seafood are subject to weather and disease. If conditions are good the supply is increased, if they are poor the supply is decreased.

Demand, too, depends on factors other than price:

- **Usefulness** - Today few people are willing to buy horse-collars because they are not useful. The demand is very low for these items. Someone whose car has broken down is willing to buy the necessary repairs because the repairs are useful to that person, but these same repairs are not useful to a person whose car is running well, so that person won't buy them.
- **Taste** - Styles and tastes change. Today there is considerable demand for brightly coloured ski jackets because these are in style, but there is little demand for saddle shoes. Yet saddle shoes were popular in the 1950s. Tastes have changed.
- **Social values** - Today people place a great deal of importance on protecting the environment and are willing to buy environmentally-friendly products even if they cost more. Changing social values have created a demand for these types of products. Similarly, smoking today is seen as harmful rather than sophisticated. Changing social values have reduced the demand for tobacco products.

Some goods and services are not subject to the laws of supply and demand. Some of those offered by government fall into this category. For example, education is a service offered by the government of most countries. There may be only one school or one school system available. Similarly governments sometimes have a monopoly on things such as postal, telephone or electrical services. That means that other agencies are prohibited by law from offering these services.

Related Content

Module III, Resource Management Skills; Chapter B, Shopping Skills; Topic 9, Choices and Challenges.

ACTIVITY #1

SUPPLY, DEMAND AND PRICE

Objectives: Students will be able to:

1. Identify some of the factors, in addition to price, which influence supply and demand.
2. Predict how changes in the supply and demand of a particular good or service is related to price.

Teacher Preparation: Duplicate a class set of the handout "Supply, Demand and Price"

Time: One class period.

Procedure: Using the information provided in "For the Teacher", briefly discuss with students the factors which influence supply and demand. Point out that generally, when the price of an item goes up the supply increases, when the price drops the demand increases. Emphasize that while price is central to supply and demand, it isn't the only influence. In order to make this point, ask students to identify some factors which might affect the supply or demand of compact discs (factors can be serious or fanciful). Write the factors on the board.

Some factors which might be mentioned include:
- a new process makes it much cheaper to produce compact discs.
- a new "mini-disc" technology is developed which makes conventional compact discs obsolete.
- it is discovered that the plastic coating now used on compact discs causes skin cancer.
- a small, portable disc player similar to a Walkman comes on the market.
- a new technique is developed which allows five hours of music to be recorded on a standard compact disc.
- the workers in most of the major compact disc factories go on strike.

When a number of factors which might influence supply and demand have been identified and listed on the board, ask students to indicate whether each factor would cause the price to go up or down.

Then divide students into groups of two or three. Distribute the handout "Supply, Demand and Price". This handout presents a number of situations. Students are asked to predict whether each situation will cause the supply, demand and price of a particular good or service to go up, down or stay the same.

At the end of the class period discuss the answers in class. There may be more than one answer for some of the situations. The purpose of this activity is not so much to produce correct answers, as it is to encourage students to think about the relationship between supply, demand and price.

Evaluation: Do students recognize that factors such as fashion and usefulness influence demand, that factors such as availability of resources and labour influence supply? Do they recognize that when the price is higher, more of an item will be produced (supply), when the price is lower more will be sold (demand)?

Additional Activities: Have individuals or groups of students interview retailers, distributors or manufacturers in the community to find out how they decide how many of a particular item to make or buy.

STUDENT HANDOUT:

SUPPLY AND PRICE

To accompany Activity #1, Supply, Demand and Price

A number of situations are described below. How would each affect the supply, demand and price of a product or service?

Situation	Demand increase, decrease or stay the same?	Supply increase, decrease or stay the same?	Price increase, decrease or stay the same?
How would an extremely cold winter affect the supply/demand for in-car heaters?			
How would a severe drought on the Prairies affect the supply/demand for grain?			
How would an unusually good growing season in B.C. affect the supply/demand for B.C. fruit?			
How would a change to very short hair styles affect the supply/demand for haircuts?			
How would an increase in the cost of gasoline affect the supply/demand for small cars?			
How would the discovery that eating broccoli prevents cancer influence the supply/demand of this vegetable?			

DEMAND·· SUPPLY·· PRICE

Source: Adapted from: W.E. Jennings, P.C. Moffat and E.G. Staunton. *Canada's Economy*. OISE Press, 1981. Used with permission.

ACTIVITY #2

INCREASING CONSUMER DEMAND

Objectives: Students will be able to:

1. Identify specific techniques that suppliers use to increase demand for an item.

Teacher Preparation: Ask students to bring a supply of old newspapers and magazines from home. Collect the necessary quantities of scissors, tape, glue and poster paper.

Time: One class period.

Procedure: Briefly review with students the things that influence the demand for a service or product. These include price, usefulness, style, and social values. Write these on the chalkboard. Tell students that sometimes suppliers use a variety of techniques to attempt to increase the demand for a product or service. Advertising is one obvious way, but there are many others. Divide students into groups of three or four and distribute a supply of old newspapers and magazines to each group. Have students look through the newspapers, paying particular attention to the ads, to locate examples of methods that suppliers use to increase demand. Some possibilities include:

- **Fashion changes** - Styles in clothing and cars change every season. Styles in home furnishing also change but not so often. When styles change, many people want to buy new items even though their old ones aren't worn out.
- **Planned obsolescence** - Some items are designed so that they wear out within a specific period of time requiring the consumer to buy another of the same item
- **Price reductions or sales**
- **Easy credit terms** (no money down - don't pay until January 1).
- **"Free" gifts** (buy a new bicycle and we'll give you a free tire pump)
- **New attractive packaging**
- **Promotions** of all types (hamburger chains that sell plastic children's toys, etc.)
- **Free draws** (every time you buy you can put your name in the drum for a free draw)

Have students cut out examples of ways that suppliers attempt to increase demand and make a poster with them. A few sentences should be written beneath each illustration telling how this particular technique increases demand.

Evaluation: Examine students' posters. Do students realize that suppliers can use a variety of techniques to influence the demand for a product or service?

Additional Activities: Remind students that the Canadian marketplace operates under a free enterprise system. This means that suppliers compete for the consumers' dollar. Thus suppliers attempt to make products as attractive as possible in terms of price, features, and quality. Divide the class into groups of three or four. Have the groups compete to design a marketing plan for a new "widget". The plan should include pricing, advertising, method of packaging, special features, etc. Have each group present its plan to the class and determining by class consensus, which company's product will likely sell best. Discuss what would happen if the companies got together and pooled their ideas and resources. In what ways could they regulate price, production and distribution? What effect would this have on the consumer? Have students identify legislation which prevents price-fixing and monopolies.

4. ECONOMIC PROBLEMS

For the Teacher

Inflation

Inflation means a rise in the general level of prices. The same number of dollars will buy fewer goods and services.

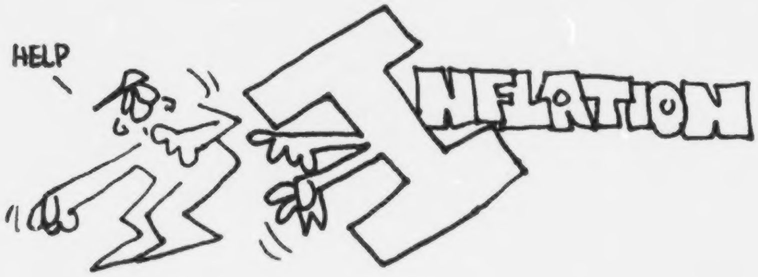
In Canada, the **Consumer Price Index** (CPI) is the most widely used measure of inflation. It measures the price changes for a fixed basket of goods. Each month, Statistics Canada monitors the price of the approximately 600 items in the basket and calculates the amount of price change. If the price goes up, inflation is present.

Inflation is often caused by high demand for goods and services which forces the price of these items up. As businesses try to meet the demand for goods and services without reducing profit levels, their costs often go up. The result is a general rise in prices.

Other factors which contribute to inflation include:
- **lack of competition** (and thus lack of pressure to keep prices low),
- **pressure from large companies** which dominate an industry to keep prices high,
- **wage increases** (which are passed along to consumers in the form of higher prices),
- **sudden dramatic increases in prices** for raw materials (such as the increase in the prices of oil and gas in 1990 just before the war in the Gulf,
- **increases in the prices of goods** purchased from other countries),
- **government intervention** to keep prices of some products artificially high,
- **the demand** for goods and services exceeds the supply.

Inflation affects everyone, but it hits people on fixed incomes hardest. Many older people on pensions fall into this category. The amount of money they receive stays the same, but they can buy less and less with it. The only way they can cope with inflation is to decrease their spending and reduce their standard of living.

Inflation can also reduce the value of savings. People usually earn interest on their savings, but if the rate of interest is below the inflation rate the value of the savings will gradually decrease.



Unemployment

Unemployment is another economic problem that affects individuals and communities. A general increase in the unemployment rate can be caused by a slump in the economy. Fewer goods and services are produced, so fewer jobs are available. Often unemployment is caused by the changing nature of the economy. Some regions of the country grow faster than others. Some industries grow faster than others. As new technologies become common in the workplace new skills are needed. Moreover, the increasingly sophisticated nature of the workplace means that workers need a higher level of education or training than ever before. The people who have limited education or skills usually have the highest level of unemployment.

ACTIVITY #1

LIFE WITH INFLATION

Objectives: Students will be able to:

1. Explain how inflation affects people on fixed incomes.

Time: One class period.

Procedure: Explain to students that inflation affects people on fixed incomes the most. When their income stays the same but prices go up, they are able to afford less and less. Tell students to imagine they are a single parent with one pre-school child. They are earning minimum wage. Five years ago they:

- lived in a two-bedroom apartment.
- went to movies once a month with friends and went to hockey or football games four or five times a year.
- ate at a fast-food restaurant once a week.
- didn't worry too much about cost when grocery shopping, and were able to buy nutritious food.
- subscribed to cable TV.
- subscribed to the daily newspaper.

Write this information on the chalkboard.

In the past five years inflation has reduced the value of their income considerably.

Tell students to write a short essay describing a week in the life of this person today. They should describe all aspects of the person's life including where the person lives, how s/he spends his/her time, the kinds of purchases the person makes, the kind of food eaten and what the person does for entertainment. What changes has the person made in his/her lifestyle because of inflation?

Introduce students to the concept of "quality of life". Quality of life is the extent to which individuals receive pleasure and satisfaction from their lives and the extent to which they are able to contribute to society. Tell students to conclude their essay by writing a sentence or two about how inflation has affected the quality of life of the person described.

Evaluation: Examine students' essays. Do students recognize that inflation usually causes the quality of life of a person on a fixed income to deteriorate?

Additional Activities:

1. Students might interview elderly people in the community in order to find out how inflation has affected them. Has it reduced the value of their pensions or their savings? Has it caused them to change their lifestyle or influenced their quality of life? If so, how?
2. Ask students to speculate about how inflation might affect them personally if they were in the following situations:
   - attempting to save money to go to university or technical school
   - working at a minimum wage job. Their pay only goes up when the minimum wage goes up.

ACTIVITY #2

HAVEN'T PRICES GONE UP?

Objectives:

Students will be able to:

1. Calculate the percentage by which the price of specific products has increased over a number of years.

Teacher Preparation:

Using the master provided, make the Transparency "How Much Has the Price Gone Up?". Duplicate a class set of the handout, "Prices in 1927."

Time:

10 to 15 minutes for introduction. One hour out-of-class time for research.

Procedure:

Distribute the handout "Prices in 1927". This handout gives the cost of some common items in that year.

Divide the class into pairs. Tell each pair that they are to research today's cost of each item on the handout. They can visit local stores, ask their parents or look at catalogues such as those produced by Sears or Consumers' Distributing. Today's cost for each item should be recorded in the appropriate column of their handout. Then they should calculate the percentage increase for each item and record this as well. Use the Transparency provided to explain the formula.

The formula to use when calculating percentage of increase is:

$$\frac{\text{Today's cost - 1927 cost}}{\text{1927 cost}} \times 100 = \text{Percentage Increase}$$

Evaluation:

Have students check each others' calculations to ensure accuracy.

Additional Activities:

1. Prices for 1927 are provided in this activity. To give the activity more of a real-life flavour, obtain Sears or Consumers' Distributing catalogues which are a few years old. (Even catalogues which are five or six years old will do.) Some parents or grandparents may be able to contribute catalogues. Have students compile their own list of then and now prices using these catalogues. Local stores might have old flyers or price lists that will serve the same purpose.
2. Point out to students that prices were much lower in earlier years but so were wages. Have students interview parents, grandparents or other community members. They might ask what the interviewee earned at his/her first job and how wages and prices compared at that time.

STUDENT HANDOUT:
PRICES IN 1927

To accompany Activity #2, Haven't Prices Gone Up?

Item	Price in 1927	Price Today	Percentage Increase
Women's bridal veil	1.75		
Men's one-piece long underwear	1.50		
Box of 100 paper clips	.10		
Student's notebook	.05		
Nine-piece oak dining room set (table, china cabinet and six chairs)	83.00		
Men's work shirt	1.79		
Women's cardigan sweater	2.35		
Pencil sharpener	1.75		
9 ft. x 12 ft. wool rug	69.50		

All 1927 prices taken from *Eaton's 1927 Spring and Summer Catalogue*.

TRANSPARENCY

HOW MUCH HAS THE PRICE GONE UP

To accompany Activity #2, "Haven't Prices Gone Up?"

HOW MUCH HAS THE PRICE GONE UP?

$$\frac{\text{TODAY'S COST} - \text{1927 COST}}{\text{1927 COST}} \times 100 = \text{PERCENTAGE INCREASE}$$

5. CHOICES AND CHALLENGES

For the Teacher

The economic system is a large and complex network. However, individuals can influence both the system as a whole and specific parts of the system.

We can influence the private sector through the purchases we make. When consumers don't buy a particular product, manufacturers must stop making it and distributors stop selling it if they want to stay in business. Similarly, when consumers buy a lot of a product, this tells manufacturers and distributors to make more of it.

Consumers influence government through their votes. Political candidates and parties have differing views of the role that government should play in providing goods and services and in regulating the marketplace. Consumers can vote for a candidate or party which represents their point of view.

Consumers can influence both the private and the public sectors in other ways as well. Writing letters to business leaders, politicians and newspapers; going to demonstrations; and speaking on radio open-line programs are some of these ways.

Related Content

Module V, Citizen Participation in Canada's Market-Based Economy; Chapter C, Making Yourself Heard.

Module I, The Canadian Marketplace; Chapter C, Political and Social Systems Influence the Marketplace; Topic 1, Government: Public Policy, Regulations, Interest Groups.

CHOICE
NO
CHALLENGES
YES

ACTIVITY #1
EVERY VOTE COUNTS

Objectives:

Students will be able to:

1. Explain how individuals, through the power of their votes, can influence the roles that government and private business play in the economy.

Time:

One class period.

Procedure:

Remind students that Canada has a mixed economy with features of both market and command economies. The economy is often divided into two sectors, the public and private. The public sector includes all goods and services provided by the government. The private sector includes all goods and services provided through the marketplace by business. Individuals, through their votes, can influence the role that local, provincial and federal governments play in providing services. If they believe that a certain service should be provided by government they can vote for a political candidate or a party with this position. Similarly, if they believe that a service should be provided by business they can vote for a candidate or a party who advocates this. Some political parties advocate a large role for government in providing goods and services while others advocate a smaller role.

Divide students into groups of three or four. Have the groups discuss how each of the following decisions by voters would influence the roles played by private business and government in the economy. Write each of the voters' decisions on the board as you discuss it.
- election of a city councillor who advocates that garbage collection should be the responsibility of the private sector.
- election of a provincial M.L.A. who advocates that health care should be provided by the private sector.
- election of a federal member of parliament who advocates that the government should play a much more central role in planning the economy.
- election of a federal member of parliament who advocates that all airlines which cross provincial borders should be owned by the government of Canada.

Each group should prepare a two or three sentence summary of how each decision by voters might affect the balance between the private and public sectors of the economy. The summaries can be recorded on flipchart paper and shared with the rest of the class if desired.

Evaluation:

Examine students' short summaries describing how decisions by voters would influence the balance between the private and public sectors of the economy. There is no single right answer for each of the possible situations. What is important, is that students realize that the decisions made by voters can and do affect the balance between the public and private sectors.

POLITICAL AND SOCIAL SYSTEMS INFLUENCE THE MARKETPLACE

Introduction

In Canada, our political and social systems have a major influence in the marketplace.

Our Political System Influences the Marketplace
The economic policies, regulations and programs of governments directly affect the overall state of the Canadian economy as well as the availability, price, quality, and safety of the goods and services consumers purchase.

Our Social System Influences the Marketplace
The choices each of us make as consumers are influenced by the roles and status we hold (or would like to hold) and the cultural values and standard of living we wish to maintain. In addition, social and economic trends such as: the increasing number of women in the workforce, two-income families, single-person households, the aging population, equality in the workplace, income-earning teenagers, and the rising expectations of consumers for quality goods and services affect individual consumer choices and the Canadian marketplace.

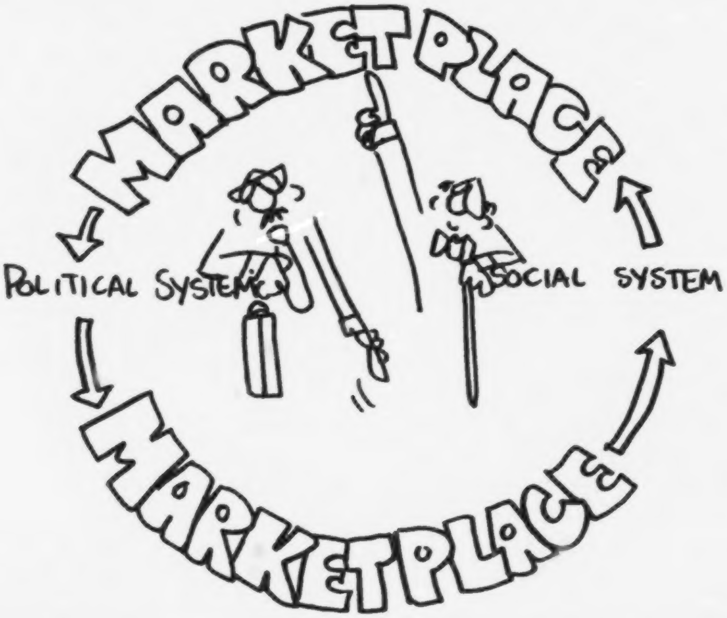
Purpose

The purpose of this chapter on "Political and Social Systems Influence the Marketplace" is to provide students with an understanding of the role that government policy, regulations and programs has in the Canadian marketplace. It is also intended to illustrate the influence that social factors and trends have on the marketplace and on individual consumer choices.

Scope

Five topics are covered in this chapter:

1. Government: Public Policy, Regulations and Interest Groups
2. Society and the Individual: Roles, Status, Cultural Values, Quality of Life and Standard of Living
3. Social Change: Households and the Workplace
4. Advertising
5. Choices and Challenges



Source: Bannister and Bonnice

1. GOVERNMENT: PUBLIC POLICY, REGULATIONS, INTEREST GROUPS

For the Teacher

Governments (federal, provincial and municipal) are a major force in the Canadian economy and the Canadian marketplace. They influence the marketplace in five key ways:

i. **Governments establish and maintain the laws which govern the marketplace.** At all three levels, governments provide the legal framework within which business and consumers must operate. Governments regulate the activities of consumers, businesses and government agencies in order to create a fair marketplace in which consumers and businesses can operate with confidence. Governments establish regulations concerning the operation of businesses, incorporate businesses, register business names, license sellers, set standards, protect consumers from defective or hazardous goods and fraudulent sellers, provide for compensation, and protect businesses from unfair competition.

ii. **Governments administer economic policies and programs** including determining taxation levels, import restrictions and the cost of public utilities. The federal government influences the money supply and interest rates and manages the Old Age Security program and the Canadian Pension Plan.

iii. **Governments provide goods and services** to Canadians (usually those which the private sector is unable or unwilling to provide at affordable prices) such as: health services, education, housing, transportation, telephone and telecommunications services, postal services, and utilities.

iv. **Governments consume goods and services.** Governments purchase huge quantities of goods and services ranging from paper to computer servicing from private companies, thereby creating jobs and stimulating the economy.

v. **Government employs large numbers of people,** providing economic stability and stimulating the economy.

Interest Groups

Governments are influenced in their decisions regarding legislation, policies and programs by the Canadian public as a whole and by interest groups representing the specific views and needs of a sector of the population.

Interest groups representing consumers, business or segments of the population such as seniors or Native Canadians, can play a vital role in affecting the decisions and policies of government. Writing to elected officials with concerns or ideas, lobbying, presenting briefs and position papers, and attending public hearings are all ways an interest group can make its views heard.

In a democratic society, elected officials are responsive to the views of the electorate and their constituents. They include a careful assessment of the public's wishes in their decisions on matters of public policy.

Related Content

Module V, Citizen Participation in Canada's Market-Based Economy; Chapter C, Making Yourself Heard.
Module I, The Canadian Marketplace and You; Chapter B, The Consumer and the Economy; Topic 5, Choices and Challenges.

Source: Bannister and Bonnice.

ACTIVITY #1

GOVERNMENT AND THE CANADIAN MARKETPLACE

Objectives: Students will be able to:

1. Identify the roles that governments play in maintaining balance in the marketplace.
2. Describe the role and effects of government policies, regulations and programs in the marketplace.
3. Explain the influence of government on marketplace and consumer choices.

Time: One class period.

Procedure: Discuss with students the five key roles governments play in the marketplace:

1. Governments maintain laws which govern the marketplace.
2. Governments administer economic policies and programs.
3. Governments provide goods and services.
4. Governments consume goods and services.
5. Governments employ large numbers of people.

Write these five roles on the chalkboard as they are discussed in class.

Break students into small groups and have them consider each point and brainstorm how it affects the marketplace and themselves as consumers.

For example:
The laws which governments administer provide protection to consumers from hazardous or defective goods, fraudulent sellers and misleading advertisers. These laws benefit business as well because they don't have to compete with "unethical" competitors. Everyone is operating under the same rules. Both buyers and sellers have confidence in the marketplace.

Have the groups report their discussions to the class. As a whole class, have students consider what it would be like if there was no government involvement in the marketplace. Would there be more problems for consumers? For business?

Evaluation: Assess all three objectives by considering the comments made when students are reporting the results of their group discussions to the class and when students are discussing what it would be like if government was not involved in the marketplace.

Additional Activities: Have students compare the role of their elected student council in providing order (rules and policies), programs and services to the school to the roles of municipal, provincial and federal governments. What influence does the student council have on the school? On individual students? How much authority do student representatives have?

ACTIVITY #2

OTHER PLACES, OTHER WAYS

Objectives:

Students will be able to:

1. Compare the role that governments play in the marketplace in other political systems to the roles they play in Canada.
2. Explain how in different political systems, governments and consumers have different roles in and impacts on the marketplace.

Teacher Preparation:

Ensure that students have access to library resources.

Invite (or have a student invite) a community member who has immigrated to Canada from a country with a command economy to speak to the class. (Command economies are found in some communist countries. Typically, governments make most of the decisions about the goods and services to be produced and control the means of production. Individuals have limited say in what and how things are produced.)

Time:

10 to 15 minutes for introduction. One hour for out-of-class research. One class period for guest speaker. One class period for presentation of findings and compilation of results.

Procedure:

Have each student research a country which has or had a command economy. (Examples include U.S.S.R., China, Cuba, Columbia and Nicaragua.) Explain that major changes are going on in many countries regarding economic and social policy. What role does government play in deciding what goods and services are produced? How? For whom? What consumer protection legislation exists? What is the role of the consumer? Do individuals and interest groups influence what and how things are produced and sold in the marketplace?

Invite a representative from the multicultural community who has come from a country with a command economy to discuss the above points.

After the research has been completed and the guest speaker has made his/her presentation have students prepare a class chart. On the chart have students answer the six questions listed above for Canada and for each country researched.

Evaluation:

Examine the class chart which summarizes students' research findings and conclusions. Does the chart illustrate that in many other countries government and consumers play different roles in the marketplace than they do in Canada?

ACTIVITY #3
GOVERNMENT MARKETPLACE PROGRAMS IN YOUR COMMUNITY

Objectives:

Students will be able to:

1. Identify services and programs in their community offered by the municipal, provincial and federal governments which are designed to help consumers or businesses.
2. Explain the purpose of these programs and services and their impact on the marketplace, consumers and business.

Teacher Preparation:

Ensure that students have access to library and community resources. Invite (or have a student invite) a representative from a government department offering services to consumers and/or businesses to speak to the class.

Time:

10 to 15 minutes for introduction. 20-30 minutes homework. One class period for guest speaker. One class period for preparation of reports. One class period for class presentation.

Procedure:

Divide students into three groups. Assign each group a level of government (municipal, provincial, federal). Have each group contact, either in person or in writing, the level of government they have been assigned requesting information on programs and services to assist consumers and business. Addresses for federal government departments can be found in a current directory such as **The Corpus Almanac,** or **The Canadian Almanac and Directory.** Each group should develop a written report using charts and point format to illustrate their findings, and provide an oral summary to the whole class.

If time permits, invite a speaker from a government agency which helps consumers and/or business to speak about their programs and services.

Evaluation:

Examine students' charts and reports in order to determine whether the objectives have been met.

Additional Activities:

If yours is a band school, invite a consumer and business member of the band council to speak about the programs offered to the reserve members. What government agencies offer these programs? What is their purpose? Who do they benefit?

ACTIVITY #4
GOVERNMENTS PROVIDE GOODS AND SERVICES

Objectives:

Students will be able to:

1. Identify a variety of public needs which governments meet.
2. Explain why governments address these needs rather than the private sector.

Time:

One to two class periods.

Procedure:

Explain to students that governments provide a number of important services to the Canadian people. In many cases the private sector (business) has been unable or unwilling to provide these services at affordable prices. Examples include: health care, education, housing, roads, telephone and telecommunications, police and national defence, and utilities.

Have students break into small groups and assign each to a different public need met by government, such as health care and education. Have student brainstorm the advantages and disadvantages of government delivering the service rather than a private company. Students might focus on cost/affordability, quality of services, accessibility to everyone, and availability. Have students chart the pros and cons on the board, flip charts or paper. Students should then report their views to the class.

Evaluation:

In order to assess whether the objectives have been met, examine students' charts. Do the charts illustrate some of the needs that governments meet? Do some of the charts illustrate the pros and cons of government offering a particular service?

Additional Activities:

Choose a service area where there were a good number of pros and cons. Have students conduct a debate on whether this particular service should be provided by the public sector or by the private sector.

ACTIVITY #5

POLITICS, CHANGE AND THE MARKETPLACE

Objectives:

Students will be able to:

1. Recognize marketplace changes and developments in their communities that are being influenced by government.
2. Describe how ongoing change is a characteristic of our economy and marketplace development.
3. Determine the role that individuals and interest groups can play in influencing governments' policies and decisions.

Teacher Preparation:

Ensure that students have access to printed resources such as newspapers, news magazines, town council or city council reports. They may also want to interview community politicians and people affected by marketplace changes.

Time:

One class period for introduction and research. One hour out-of-class time for research. One class period for preparation of reports and presentation of oral summaries.

Procedure:

Divide students into groups of two or three. Have the groups review newspapers and news magazines for articles on a recent development or change in the marketplace in which one or more levels of government is involved. Examples:

Municipal
- Zoning applications for business to go into residential areas
- Store hours, Sunday shopping
- Display of pornographic magazines
- Fluoride in municipal water supply
- Proposal for better bylaw

Provincial
- Environmental impact study for some type of industrial development (fertilizer plant)
- New or changed consumer protection legislation
- Aluminum can recycling program
- Homeowners' mortgage interest control program
- Rent subsidy program

Federal
- Goods and Services Tax
- Free trade

Ask each group to select a marketplace change or development that interests them to research in detail. Research can involve additional library research or interviews with local politicians and people affected by the change or development.

Have students prepare written reports and provide an oral summary to the class. What's going on? Why is government involved? What is government doing? What is the impact on consumers? Is the public in favour of the change? Who is opposed? Why? What are people doing to voice their positions?

Evaluation:

Consider students' reports and summaries to assess whether the objectives have been achieved.

ACTIVITY #6

YOU AND YOUR GROUP CAN MAKE A DIFFERENCE

Objectives:

Students will be able to:

1. Recognize the role that individuals and interest groups can play in influencing political decision-making.
2. Participate in a simulated community action initiative.

Time:

One class period.

Procedure:

Explain to students that individuals and interest groups can and do influence elected officials when they are making decisions about government policies, regulations and programs. This is how a democratic society operates.

Describe to students a situation which is happening in Yourtown, Canada. Students, teachers and parents are concerned because the town council is considering cutting up part of the park across from the high school and rezoning it for commercial development. This means there will be less recreation space, more traffic, noise and litter, to mention a few concerns. What can students do to help stop this development? Have students brainstorm ideas:

- Write letters to city council
- Tell others about the problem and ask them to write
- Start a petition
- Speak to a meeting of the town council to voice your concerns
- Write letters to the editor
- Speak to the media
- Chain yourselves to the trees or recreation equipment and call the media (Actions like this need careful thought before pursuing.)
- Prepare a brief for submission to the town council

Have students discuss pros and cons of a variety of actions in class and write simple letters, briefs, statements to the media, etc.

Evaluation:

Do students recognize that individuals and groups can make a difference if they let politicians know about their opinions and feelings? Have students practised a variety of effective techniques for making their feelings known to government?

Additional Activities:

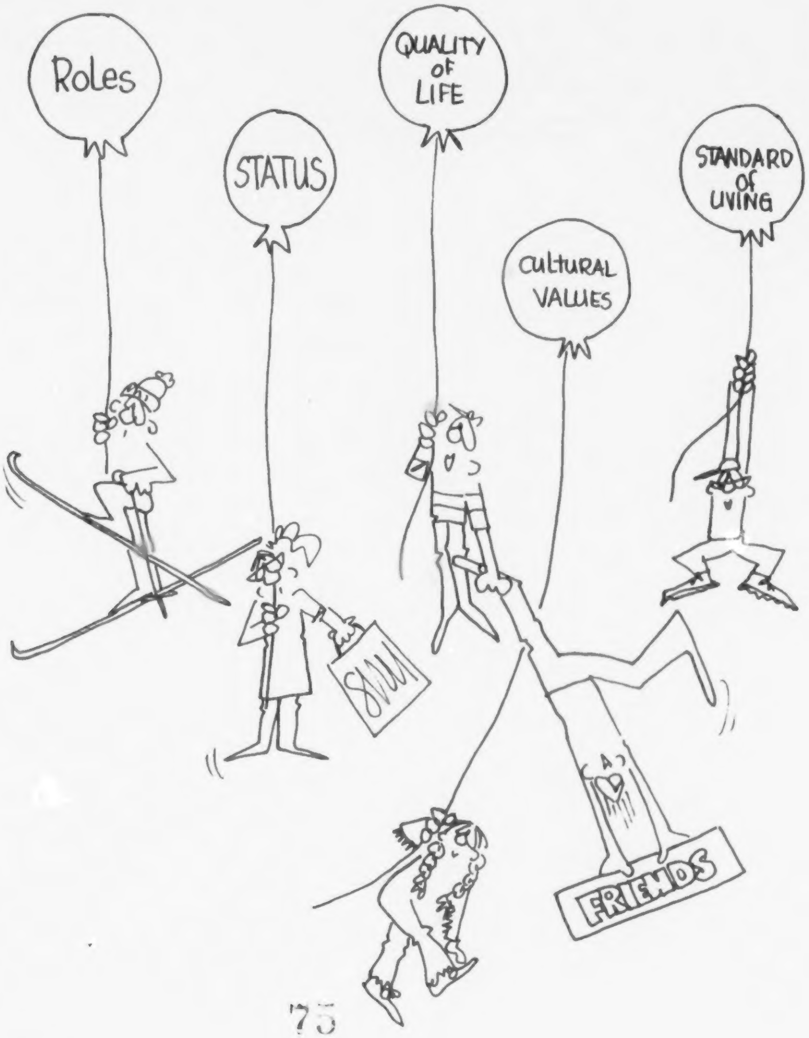
1. Develop the activity outlined above into a full-blown simulation. Some students can represent a town council and others a group of angry citizens who are making a presentation. Others can role-play media interviews. Television reporters are interviewing concerned citizens or trying to get a response from non-committal politicians.
2. Encourage students to select an issue in their community that interests them and get involved.

2. SOCIETY AND THE INDIVIDUAL: ROLES, STATUS, CULTURAL VALUES, QUALITY OF LIFE AND STANDARD OF LIVING

For the Teacher

A range of political factors influence the marketplace and the decisions and choices of individual consumers. These include:

- **Roles**
  Every person has a number of different roles at any time during their life. For example, a teenager may have the roles of adolescent family member (son or daughter), student, employee (at a part-time job), consumer and leader/friend with his or her peers. Some teenagers have babies or small children and so may have the role of parent. A teacher may have the roles of teacher and counsellor, parent, consumer, partner, and care-giver to elderly parents. The roles we have affect our consumer decisions. An adolescent student's choices may focus on education, entertainment, transportation, and meeting personal needs. A teacher's choices might include housing, transportation, investments, and charitable contributions.
- **Status**
  The position or rank people hold in society (or wish to hold) affects the choices they make in the marketplace. For example, some teenagers may feel their status will be increased if they own a car, preferably a sports car, and all the latest clothes. So they spend their money on these items.



- **Cultural Values**
  As members of Canadian society, most of us hold a number of cultural values in common such as: family and friends, economic security and wealth, independence and freedom, and personal attractiveness. These values are reflected in the marketplace and our consumer choices.

  Because Canada is a multicultural society, cultural differences can influence our values. For example, Canadians from Japan or Vietnam may place greater value on the education of their children than on acquiring material goods, while Native Canadians may value community and sharing more than the accumulation of individual wealth.

- **Quality of Life and Lifestyle**
  Quality of life is the level of satisfaction people feel in what they do and how they live. It is not measured merely by how much money people make and the possessions they own. It is a balance between material well-being and other forms of personal satisfaction. A number of factors contribute to personal satisfaction and well-being:
  - Good health
  - Economic security
  - Family, friends, and leisure activities
  - The ability to adapt
  - A sense of power - the ability to choose between alternatives.

  Achieving the desired quality of life or lifestyle requires skilled decision-making and realistic expectations and goals.

- **Standard of Living**
  Standard of living is the degree of material comfort enjoyed by an individual, family or community. People's standard of living is largely influenced by their economic circumstances and their consumer choices.

Related Content

Module II, Your Economic Decisions; Chapter A, Focus on the Individual; Topic 3, Adult Roles, Freedoms, Choices, Responsibilities.
Module II, Your Economic Decisions, Chapter A, Focus on the Individual; Topic 1, Needs and Wants; Topic 2, Values and Goals; and Topic 5, Lifestyle.

Source: Bannister and Bonnice.

ACTIVITY #1

HOW DOES SOCIETY INFLUENCE YOUR CONSUMER DECISIONS?

Objectives:

Students will be able to:

1. Identify how their individual consumer decisions are influenced by the roles they play, by the status they hold or want to hold, and by the values of society as a whole or the values of their community.

Time:

One half class period.

Procedure:

Explain the concepts of roles, status and cultural values to students using the information in "For the Teacher".

Then have students work individually to complete the following tasks:

1. Ask students to list their various roles and give some example of how each role influences their consumer decisions. For example, in their roles of sons or daughters, students might buy gifts for their parents. In their role of future university students, students might decide to save their money instead of spending it.
2. Have students list a few consumer decisions they made because they want to change or enhance their status. For example, they may have bought fashionable clothes, a Walkman, cosmetics or a perm.
3. Lastly, have students list one or two cultural values which have influenced them. These values may be things such as the desire to accumulate wealth, the importance of education, the desire to make a good impression, the desire to share with others. Students should describe how each of these values have influenced consumer decisions. For example, a student who is influenced by the desire to make a good impression might spend money on clothing and grooming products. A student whose cultural background emphasizes the importance of education might save money for university rather than spending it.

Evaluation:

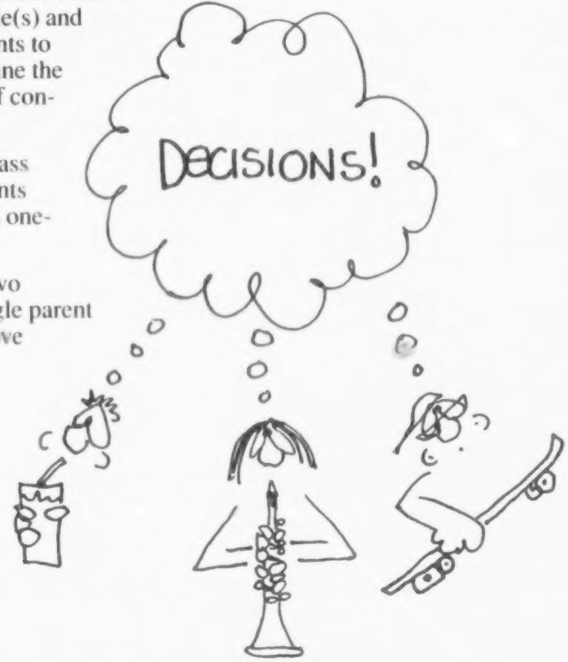
Student self-evaluation.

Additional Activities:

Ask students to identify someone in the community with significantly different role(s) and status from themselves. Ask students to interview the individual to determine the roles he/she holds, and the types of consumer decisions he/she makes.

Brainstorm a list of questions in class before the interviews begin. Students can summarize their interview in a one-page report.

An alternative is to invite one or two people to speak to the class. A single parent and a community leader might prove interesting.



ACTIVITY #2

QUALITY OF LIFE AND CONSUMERS

Objectives: Students will be able to:

1. Examine their own views as to what contributes to quality of life.
2. List some common factors which are considered to contribute to quality of life.
3. Recognize that quality of life is more than material and economic success.

Time: One class period.

Procedure: Discuss with students what quality of life means, including: good health, economic security, family and friends, leisure activities, the ability to adapt to change and new ideas, and a sense of power - the ability to choose between alternatives.

Have students consider the following statements and write down summaries of their thoughts on each. In their summaries students might:
- agree, partially agree or disagree with the statement,
- give their reasons for agreeing or disagreeing,
- tell how the statement applies to them personally.

1. By simplifying our lives we can increase the quality of life.
2. Meaningful work may provide more job satisfaction than a high salary.
3. Your lifestyle expectations should be in tune with your potential earning power.
4. You have a voice in shaping the quality of your life by the actions you take as a student, a consumer, a worker, a citizen.

Evaluation: Because this is a highly personal exercise, student self-evaluation is most appropriate. Don't require students to show you the written summaries of their thoughts unless they volunteer to do so. Many students will be less analytical if they know that someone else will read their work.

Additional Activities:

1. Ask students to rewrite the summaries into editorial or letter to the editor format which can be submitted to the school or community newspaper.
2. Choose one or all of these statements for class discussion and debate.
3. Invite a community member to speak to students on one of these statements. For example, many members of "caring professions" would support statement #2.

Source: Bannister and Bonnice.

ACTIVITY #3

YOUR LIFESTYLE EXPECTATIONS

Objectives:

Students will be able to:

1. Identify their personal lifestyle expectations.
2. Determine the cost of their planned lifestyle.
3. Realistically appraise their expectations in terms of their anticipated income.

Teacher Preparation:

Ensure that students have access to information about the costs of various goods and services. The information can be obtained from catalogues and newspapers; from local department stores and shops; and from parents.

Time:

Two class periods.

Procedure:

Ask each student to imagine and write down what their expectations are for their lifestyle in ten to 15 years. Include expectations regarding: housing, transportation, family (spouse and children?), childcare, leisure and recreation, clothing, furnishings and appliances, savings, education, retirement planning, food, etc.

Once each student has an outline, have them research the cost of their future lifestyle in today's dollars. Students can share their research findings with each other. Each item in students' description of expectations should have a cost attached to it. For example, if a student expects a three bedroom house have him or her look at the newspaper to choose an average price. Then add maintenance, insurance, taxes, etc.

Have students tally up what their lifestyle expectations cost in total.

- Are their plans feasible?
- How will they finance them?
- What jobs provide the needed earning power?
- Will theirs be a two-income family?
- Do they need to rethink their lifestyle expectations?

Discuss the above with students.

Evaluation:

Assess Objective #1 by examining students' written lists of expectations ten to 15 years from now. Are expectations for most areas of life described? Assess Objective #2 by looking at the costs students attach to each aspect of their lifestyle. Are the costs realistic? Assess Objective #3 by considering the comments that students make in the discussion which concludes this activity. It is likely that at least some students' expectations are unrealistic. Do these students recognize that they will need to scale down their plans?

Additional Activities:

1. Have your school guidance counsellor speak to the class about the salaries paid to people in various jobs.
2. Divide the class into boys and girls. Ask each group to discuss their lifestyle expectations for themselves and the opposite sex in terms of:
   - earning power
   - roles
   - division of household duties
   - decision-making regarding spending of family money
   - childcare

Have each group select two spokespeople, one to represent their group's views on the lifestyle expectations of their own sex, and the other to represent their expectations for the other sex. The four spokespeople will report to the class. Open class discussion may follow.

3. SOCIAL CHANGE: HOUSEHOLDS AND THE WORKPLACE

For the Teacher

There is a popular expression these days which aptly describes the continuously changing nature of our society and our marketplace.

"The only thing constant, is change."

Earlier in this module, change was examined as a characteristic of the modern Canadian marketplace. In addition to the rapid changes occurring in the marketplace, changes in society as a whole are also having a major impact on consumers influencing their decisions and the marketplace.

These social and economic changes and trends include:

- **The increased participation of women in the paid workforce.** This trend has brought about the growing demand for and availability of childcare and convenience products like fast foods. Household tasks like cooking and childcare are now often shared by all family members as is the decision-making about how family income will be spent.
- **Two-income families** in many cases mean increased family purchasing power and an increased standard of living including better housing, transportation and other basics as well as more "luxury" items such as holidays, second cars and electronic gadgets. However, with rising costs today, many families find that they need two incomes to support themselves.
- **Single-person households** mean more people living on their own, supporting the growth of single-serving and small food packages, take-out delis and more single occupancy dwellings.
- **Equality in the workplace** means equal access to jobs and the resulting increased economic stability for women, people with disabilities and minorities. While opportunities have increased in this area, more needs to be done. As this trend continues, it contributes to a better quality of life for large numbers of people.
- **The aging population** means that Canada's population is growing older. In 1900, 4% of our population was 65 or older. Today, seniors make up 12% of the total population, and within the next 50 years it is estimated that 25% of us (one person in four) will be over 65. The growth of the senior population means a corresponding demand for health care and housing to meet their needs.
- **The rising costs of goods and services** are placing increased demands on consumers' decision-making skills. Poor choices can mean costly and financially punishing consequences. As well, rising costs suggest that consumers will need to change their lifestyle expectations. The lifestyle expectations of a house, furnishings and a car may no longer be realistic for today's young people in many urban areas. These things, which many people take for granted, may be too costly.

Adapted from: Bannister and Bonnice.

- **Income-earning teenagers.** Young people in Canada today are working part-time in growing numbers. Over 65% of Canadian teenagers work while going to school and young people between the ages of 15 and 23 have $3.5 billion per year to spend in the marketplace. Advertisers call them the **"power consumers"** and much of their spending is on products and services for personal gratification - fast food, tapes, personal products, clothes, cars, etc.

  Advertisers and manufacturers are well aware of the buying power of young people and are aggressively in pursuit of their money.

- **Consumers' rising expectations for quality** means that we want value for our money. Shoddy goods and services are less acceptable and Canadian consumers are becoming more assertive in voicing their expectations and complaints to manufacturers, suppliers and governments.

- **Concern for the environment.** Growing numbers of Canadians are examining their personal attitudes and behaviours to see how they can protect our fragile environment. There is growing recognition that one area in which individuals can make a significant contribution is in their personal consumer behaviour, and their marketplace choices and decisions.

Related Content

Module I, The Canadian Marketplace and You; Chapter A, The Canadian Marketplace; Topic 1, The Changing Marketplace.
Module III, Resource Management Skills; Chapter A, Financial Planning; Topic 1, Income.

ACTIVITY #1

HOW SOCIAL AND ECONOMIC TRENDS AFFECT INDIVIDUAL CONSUMERS AND THE CANADIAN MARKETPLACE

Objectives:

Students will be able to:

1. Analyze the effects economic and social trends have on the marketplace.
2. Illustrate how these trends and their influences impact on students' lifestyles and consumer choices now.

Teacher Preparation:

Ensure that students have access to library and community resources.

Time:

10 to 15 minutes for introduction. One or two hours of out-of-class time for research. One half class period for concluding activity.

Procedure:

Part 1:
Divide students into groups of three or four and assign each group one of the following trends to research:

- the increasing participation of women in the paid workforce
- two-income families
- single-person households
- equality in the workplace
- the aging population
- the rising costs of goods and services
- income-earning teenagers
- consumers' rising expectations for quality
- concern for the environment

The students' task is to find background information on the trend. For example, if they are researching two-income families, they might gather statistical information about increases in the number of such families over the past 5, 10 and 15 years. They might interview a single-income and/or two-income family focusing on their consumer practices and then compare the two. They should also determine how this trend has affected the marketplace as a whole and individual consumers. For example, the increase in two-income families means that family members have less time to cook and clean. As a result, there is increased demand for prepared foods and for home cleaning services. There is also increased demand for day care services. Families with two incomes often also need two cars so car sales are affected. The list of implications is very long.

Students might research their trend by reading newspaper and magazine articles. Interviewing people who have been affected by the trend or are involved in it is also recommended. For example, interviewing a personnel officer in a company pursuing employment equity, or a senior regarding housing and consumer needs would provide strong insight.

Have each group outline their findings in point form and make presentations to the class.

Part 2:
Have students work individually and consider five ways that the trends have affected their lives.

Evaluation:

Determine whether the objectives have been met by evaluating students point-form outlines of their findings, and their class presentations. Do students recognize that marketplace trends influence both the marketplace as a whole and individual consumers?

Additional Activities:

1. In small communities, it may not be possible to do much community-based research. In this situation compile a list of trends on the board and then have students work in groups and brainstorm the marketplace implications of each trend.
2. As a class, compile a list of social trends on the board. Then have students put themselves in the shoes of an entrepreneur who wants to take advantage of each trend. What sort of business would they start to take advantage of the trend? What products and services would they sell? To whom would they sell those products and services?

ACTIVITY #2

PREPARING FOR THE FUTURE

Objectives:

Students will be able to:

1. Identify future marketplace trends.
2. Assess what these trends mean to them personally.
3. List things that they can do to prepare for the marketplace of the future.

Teacher Preparation:

Ensure that students have access to library and community resources.

Time:

10 to 15 minutes for introduction. One class period for research. One class period for group and individual work.

Procedure:

This is a comprehensive activity with three parts. To begin with, students working in groups conduct research to determine future trends in a number of areas. In the second part of the activity, students again work in groups to identify the implications of each of these trends for them personally. In the third part of the activity, they identify what they personally can do to get ready for the future.

Part 1:

Divide the class into groups and assign one of the following research topics to each group.

- business and the economy
- computers and automation
- crime and security
- energy and resources
- environment
- health and medicine
- lifestyle and the family
- technology
- transportation
- work and careers

Tell each group that their job is to determine what future trends might be in the area assigned to them. They might consider the area 10 years from now, and 20 years from now. Emphasize that this is a research activity, not an exercise in science fiction. Students should be able to offer evidence for any predictions they make. Students should use both library research and interviews. At the beginning of 1990, many magazines published articles which discussed future trends - these magazines are good sources of information. There are many local people who would be good interview subjects. For example, the group assigned to crime and security might interview a local R.C.M.P. officer; the group assigned to farming might interview and farm equipment dealer; the one assigned to computers and the economy might interview a computer expert or local bank manager to talk about automated banking. After students have researched their topics, have each group make a five minute presentation to the class. If time permits, drawings, overheads or charts can be used to illustrate the presentations.

Part 2:

Assign students to different groups, three or four per group. Have the groups assess what the impact of each of the trends identified in Part 1 would be on their lives. This activity can be limited to a short discussion if desired, or students can present their conclusions in the form of written lists, skits or cartoons if time permits.

Part 3:

Lastly, have students work individually. Tell them to list five things they as individuals can do to cope with changes anticipated for the future.

Evaluation:

Assess whether Objective #1 has been achieved by studying students' group presentations during Part 1 of this activity. Are the future trends identified based on concrete evidence? Assess whether Objective #2 has been achieved by listening in on students' discussions during Part 2 of this activity. Do students realize that each of the trends identified has implications for them as individuals? This realization is more important than identifying specific implications. Assess whether Objective #3 has been achieved by examining the lists produced by students during Part 3 of this activity. Have students identified the development of skills which will be useful in a variety of different situations?

ACTIVITY #3
TEENS: "POWER CONSUMERS" IN THE MARKETPLACE

Objectives:

Students will be able to:

1. Identify the stores in their community, consumer goods and services, and advertisements which are directed at them.
2. Recognize that they are a target for marketing strategies because they have significant purchasing power and influence.
3. Decide how they can act to influence the marketplace.

Teacher Preparation:

Duplicate a class set of the handout "The Teenage Marketplace"

Time:

10 to 15 minutes for introduction. One hour out-of-class time for research. One half class period for presentation of findings.

Procedure:

Point out to students that more teens are working and have more money at their disposal than ever before. Ask students to take a trip to their local shopping area and look for consumer goods and services, as well as stores and ads, which are clearly aimed at teenagers. Students can take the handout "The Teenage Marketplace" along as a guide and as a place to record their findings. For each item they identify, ask them to jot down why (how can they tell) it is directed at them. Have students share their findings in class.

Ask students to brainstorm things they could do individually and collectively to influence the marketplace.

Examples:
- Refuse to buy overpackaged cosmetics and music, and advise store management of the reasons for their refusal
- Stay away from an excessively violent movie which is aimed at them and write to their local theatre or the distributor
- Write to advertisers regarding their views on a particular ad, such as cigarette ads

In closing, ask students whether they feel powerful in the marketplace. Why? Why not?

Evaluation:

Study students' completed handout to assess whether Objectives #1 and #2 have been met. Consider the brainstorming session in which students identify things they can do to influence the marketplace to assess whether Objective #3 has been met.

STUDENT HANDOUT:

THE TEENAGE MARKETPLACE

To accompany Activity #3, "Teens: Power Consumers in the Marketplace"

Take this chart and walk through a shopping area in your community. List those products (clothes, personal grooming items, etc.) and services (haircuts, car wash, etc.), stores, restaurants and advertisements that are aimed at teenagers. Tell how you know that the product, service or advertisement is aimed at teenagers.

Production Services		**Stores, Food, Movies and Music**		**Advertisements**	
Item	How Do You Know That the Item is Aimed at Teenagers?	Item	How Do You Know That the Item is Aimed at Teenagers?	Item	How Do You Know That the Item is Aimed at Teenagers?
Examples: Skateboard	Older people don't like to ride skateboards.				
Punk hair cuts	Have you ever seen anyone over 30 in one?				
Coloured gel for hair	ditto				

ACTIVITY #4
TEENS AND MONEY

Objectives:

Students will be able to:

1. Identify their sources of income and their total income, as well as that of their friends.
2. Categorize their spending (food, clothing, entertainment, transportation, personal grooming and other).
3. Compare the ways in which they and their parents spend money.
4. Recognize that their current purchasing habits will change later in their life cycle.

Teacher Preparation:

Allow students to interview each other and assist them to identify adult interview subjects.

Duplicate a class set of the handout "Surveying Your Finances".

Time:

One-half class period for introduction. One hour out-of-class time for interviews. 10-15 minutes for concluding activities.

Procedure:

Discuss with students the fact that young people in Canada have more than $3.5 billion per year to spend in the marketplace. Because they usually live at home and in many cases don't have to pay for housing and food at home, much of their income is spent on personal pleasure. Teens tend to spend money on such things as: clothes, "junk" and fast food, cars and transportation, stereos and music, entertainment, and personal grooming items. Very often, they have more money to spend on themselves than their parents. As they grow older, their responsibilities will change and they may have less money to spend on themselves.

Provide each student with the handout "Surveying your Finances". Ask them to identify for themselves and five friends their source(s) of income, amount per month, where they spend it and how much, if anything, they save.

To identify where they think they spend their money, have them keep track of all expenditures for a one or two week period. Ask them to categorize their spending into food, clothing, entertainment, transportation, personal grooming and other.

Then have students interview their parent(s) or another adult. Advise them that people may be reluctant to tell them their income. What is important is the differences in spending patterns not the actual amount of money spent.

Have students report their findings to class. On the board chart a variety of income sources for teens, the range of and average monthly income, and the categories of spending. What are the categories in which students spend money? Rank the categories in order of the amount of money spent on them. How do the categories compare to adult categories?

Discuss the changing spending patterns from youth to adulthood. Do students expect their spending patterns to change? What will influence this change?
How many students save money on a regular basis? What are they saving money for? How does this compare with adults?

Evaluation:

Examine students' completed handouts and consider the discussion in which students compare their spending habits to adults to determine whether Objectives #1, #2 and #3 have been met. The final discussion question in this activity relates to the way in which spending habits change over a lifetime. Use comments made during this discussion to assess whether Objective #4 has been achieved.

STUDENT HANDOUT:

SURVEYING YOUR FINANCES

To accompany Activity #4, "Teens and Money"

	Sources of Money	Amount/ Month	Categories Where You Spend It (clothing/food/etc.)	Savings/ Month
YOU:				
PEERS:				
PARENT(S)/ADULT:				

ACTIVITY #5

CHANGING TIMES/CHANGING HOUSEHOLDS

Objectives:

Students will be able to:

1. Compare their household with that of their grandparents (or a household two generations older) to identify social and economic differences.
2. Stress how social and economic changes have affected households, families and individuals.

Teacher Preparation:

Ensure that students have access to grandparents or adults two generations older than they are.

Time:

10 to 15 minutes for introduction. One hour out-of-class time for interviews. One class period for presentation of findings.

Procedure:

Tell students that social and economic changes in our society are reflected in Canadian households and families.

Have students identify and interview adults two generations older than themselves (grandparents). Before beginning the interview, brainstorm questions to determine differences between households. Some areas for questions include:

- family income
- number of children
- one or two parents at home
- nuclear/extended family
- mother working in the paid labour force
- who was responsible for household chores and childcare?
- who makes the financial decisions?
- electronic changes (appliances, TVs, etc.)
- recreation and leisure activities

Once students have completed their interviews, ask them to share their findings with the class. Record on the blackboard characteristics of households then and now. Discuss key differences. What social and economic trends have influenced the differences? Discuss with class.

Have students divide into two groups to develop two murals: then and now. The murals should reflect the two households, their characteristics and their differences.
You may wish to display the murals during National Consumer Week (the third week in April) as part of a school National Consumer Week project.

Evaluation:

Use the characteristics of households then and now charted on the board and the discussion which concludes the activity to determine whether the objectives have been met.

4. ADVERTISING: INFORMATION AND PERSUASION

For the Teacher

Advertising is all around us. It's in magazines, on radio and TV, in newspapers, on billboards and on packaging. It's on sweatshirts and ball caps, on pins and coffee mugs, in flyers and on bus signs. On average, we see or hear 1,500 ads per day.

Advertising has two purposes:

i. To provide factual information and advise consumers as to what is available and provide useful information on: price, purpose and use, where available, sizes and colours, new products, quality features, performance standards, and warranty and repairs.

   With this type of advertising, educated consumers are free to accept or reject an item based on the information provided.

ii. To persuade consumers to buy. Ads intended to "sell" a product or service use a variety of techniques to encourage consumers to buy. Often these techniques appeal to your emotions such as fear, happiness, envy and/or contentment in an effort to subtly, or not so subtly, manipulate you into buying. Ads can convince people they need something when they may not.

   Persuasive advertising can be particularly effective with young people who feel strongly that they need to identify with their peer group. Misuse of income, financial hardship and impulse buying are all outcomes of poorly thought-out buying.

Advertising Costs

Sellers spend millions of dollars each year in advertising. Some people believe that it is the consumer who pays for this because the cost is absorbed in the price of goods or services.

In 1988, $8.5 billion was spent on media (radio, TV, newspaper and magazine) advertising in Canada. This is about $335 per person.

The ten largest advertisers in Canada in 1988 were:

1.	Government of Canada	$ 91,317,200.
2.	Proctor and Gamble Inc.	58,624,200.
3.	General Motors of Canada Ltd.	52,512,100.
4.	Gulf and Western Inc.	44,627,700.
5.	RJR Inc.	42,291,300.
6.	John Labatt Limited	42,106,000.
7.	The Molson Companies	41,172,100.
8.	The Thompson Group	40,184,500.
9.	Cineplex Odeon Corporation	38,851,500.
10.	Ontario Government	37,935,700.

Regulating Advertising

In Canada advertising is regulated by two sets of rules. The Misleading Advertising Provisions in the **Competition Act** are administered by Consumer and Corporate Affairs, Canada. The **Code of Advertising Standards,** established by advertisers themselves, is administered by the Advertising Standards Council.

Advantages and Disadvantages of Advertising

Advantages of Advertising

Information
By means of the different advertising media, the consumer is made aware of what is available, where it is available, and its price.

Comparison
The facts given in many advertisements are specific as to price, content, grade, and brand name. This permits the consumer to compare and perhaps make a wiser choice of product or service.

Saves Time
Consumers may save time if they use the information given in advertisements rather than phoning or visiting the stores themselves.

Stimulates Competition
Advertising by different manufacturers of similar products attempts to capture the interest (and money) of the consumer. This often leads to a greater variety of products, lower prices, and better value.

Introduces New Products
If consumers had to find out for themselves what new items were on the market, they might never do so. Certainly it would take a great deal of time. Advertising introduces new products and services efficiently and quickly.

Stimulates the Economy
Advertising brings products and services to the attention of the public. If sales result, the manufacturer's and distributor's businesses are stimulated directly and other businesses and municipalities are stimulated indirectly. The ripple of benefits extends through the whole economy.

Finances Certain Services
Have you ever stopped to think about how often you watch television, listen to the radio, or read a newspaper or magazine? The programs on radio and television, and the low prices of newspapers and magazines are made possible in part by the financial support of commercials and ads.

Disadvantages of Advertising

Bias
Advertising does benefit the consumer, but advertising agencies owe their business loyalty to their clients, not the consumer. Advertisements and commercials cannot be accepted at face value. They must be interpreted by consumers in the light of this bias.

Raises Prices
Someone has to pay for the cost of the advertising. It is built into the price of the product or service. Thus, it is up the consumers to take advantage of the advertising, become informed, and avoid financial pitfalls.

Persuades to Buy
Willpower is required to avoid being influenced to buy up in price when a less expensive brand may serve the purpose equally well. Clever ads could lure you into debt by persuading you to buy more than you can afford.

Claims and Counterclaims
Which item or service is better? Which soap gets clothes the cleanest? Which soft drink is best tasting? Which brand of toothpaste makes your teeth whitest? A bombardment of this sort tends to be more confusing than informative.

Source: Wood, John C., *Looking at the Consumer*, Gage Pub., 1981•

Misleading Information

Under the law, there is no federal regulation of advertising in the sense of requiring advertisers to amend or withdraw advertisements. Some statutes, however, regulate advertising for certain classes of products. Examples are:

- The **Competition Act** makes it a criminal offense to make advertising statements that are "untrue, deceptive, or misleading".

The **Food and Drugs Act** prohibits false claims about the "value, quality, composition, merit, or safety" in any ads for any food, drug, cosmetic, or medical device.

- The **Trade Mark Act** prohibits "confusion" in the marketplace. This means, for example, that if you register a particular trade mark, no one else can then use one that is so similar to yours that the two could be confused or mistaken for one another.
- The **Canadian Radio-Television Telecommunications Commission** (CRTC) and the federal **Department of Consumer and Corporate Affairs** regulate some broadcast advertising.
- Some provinces have laws regarding advertisements for beer, wine, liquor, and tobacco.

Complaining About Ads

Manufacturers don't want to alienate customers by advertising their products in ways that offend people. Stores don't want to lose customers because of their marketing techniques. TV stations depend on their audiences to sell commercial time. If they lose audiences by running certain advertisements, they want to know. If consumers don't like an ad, they should complain. They will be surprised at how powerful a complaint can be.

In addition to contacting manufacturers, retailers and broadcasters, consumers can write to the **Advertising Standards Council.**

The Advertising Standards Council has adopted the **Canadian Code of Advertising Standards.** For a copy of the code or to bring the Council's attention to an ad that disturbs you, write to them at this address:

Advertising Standards Council
1240 Bay Street, Suite 302
Toronto, ON
M5R 2A7

If you think an advertisement is misleading, contact:
Consumer and Corporate Affairs, Canada

When complaining about an advertisement, students should enclose a copy of the ad or the time, date and station on which it was broadcast. They should be sure to explain what they think is wrong with the ad.

Related Content:

Module III, Resource Management Skills; Chapter B, Shopping Skills; Topic 1, Marketplace Information.
Module V, Citizen Participation in Canada's Market-Based Society; Chapter 2, The Right to be Informed/The Responsibility to be Aware; Topic 2, The Right to be Informed/The Responsibility to be Aware.

Adapted from: Looking at the Consumer, by John C. Wood. Copyright 1981. Used with permission of NELSON CANADA, a division of International Thomson Limited.

ACTIVITY #1

ADVERTISING: PROS AND CONS

Objectives:

Students will be able to:

1. Analyze advertising to determine its information value.
2. Distinguish between informative and persuasive ads.
3. Identify and explain the advantages and disadvantages of advertising.

Teacher Preparation

Have students bring magazines and newspapers from home. Before the activity begins cut out several dozen ads for use by students.

Time:

One class period.

Procedure:

Part 1:
Break the class into small groups and give each group five ads or more. Ask each group to study the ads to determine what information they provide: product availability, price, comparison, features, etc. What other impact do the ads have? Ask students to think about how they feel about the ads. Are they attractive? How? Compelling? How? Do the ads provide enough information for students to make an educated decision as the whether or not to buy the item?

Are students basing their opinions on information or other factors, such as emotional or visual appeal of the ad?

Have students divide all the ads into two piles: informative and persuasive. How many ads do both? What are the characteristics of: informative ads; persuasive ads; ads which do both?

Part 2:
Explain to students that at its best, advertising provides needed information. At its worst, it is manipulative persuasion.

Ask students to brainstorm advantages and disadvantages of advertising in the marketplace. Record these on the board and supplement students' comments with information from the overview to For the Teacher if necessary.

Evaluation:

Early in this activity students are asked to analyze ads then determine the information they provide. Use the outcome of this process to determine whether Objective #1 has been met. Next students are asked to sort the ads, placing persuasive ads in one pile and informative ads in another. Use the outcome of this process to assess Objective #2. Finally, students are asked to identify the advantages and disadvantages of advertising. Use this process to assess Objective #3.

ACTIVITY #2

TECHNIQUES OF ADVERTISING

Objectives:

Students will be able to:

1. Analyze advertisements to determine the techniques used to encourage consumers to buy.
2. Recognize the persuasive techniques being used and effectively evaluate advertising claims.

Teacher Preparation:

Have students bring a supply of magazines and newspapers from home.

Duplicate a class set of the handout "Convincing You to Buy".

Time:

One class period.

Procedure:

Have students bring magazines and newspapers with ads in them from home. Break students into groups of four or five and give them a collection of ads (ten or more). Using the handout "Convincing You to Buy" ask students to look for examples of each technique. (They may not be able to find each one.) Bring class back together and call for examples of each technique and pin them on the bulletin board under the headings identified on "Convincing You to Buy".

In a class discussion ask students to comment on:

- Which techniques are most commonly used?
- Are there any the students find offensive?
- Which do they think are the most effective?
- Which appeals to them the most?
- Do any of the ads appear to be directed at young people and teenagers specifically?
- What techniques are used most frequently in those ads which appear to be directed at young people?
- Do they think any of the ads are misleading?

Evaluation:

Mid-way through this activity, students categorized ads according to the advertising technique used. Use the outcome of this process to determine whether Objective #1 has been met. Use comments made during the discussion which concludes the activity to assess whether Objective #2 has been achieved.

Additional Activities:

1. Have students bring into class or describe the package from an item they bought recently. Consider the shape, colour and art on the package. Did it influence them to buy? Why? Why not? Have students ever though about packaging as a form of advertising? What are some others forms of advertising? (T-shirts, ball caps, pins, billboards, etc.) Discuss.
2. Bring to class two similar products - a popular brand and a no-name or generic product. (Packaged chocolate chip cookies might be a good example.) Have the students discuss how the packaging influences their impression of the quality of the product.

STUDENT HANDOUT:

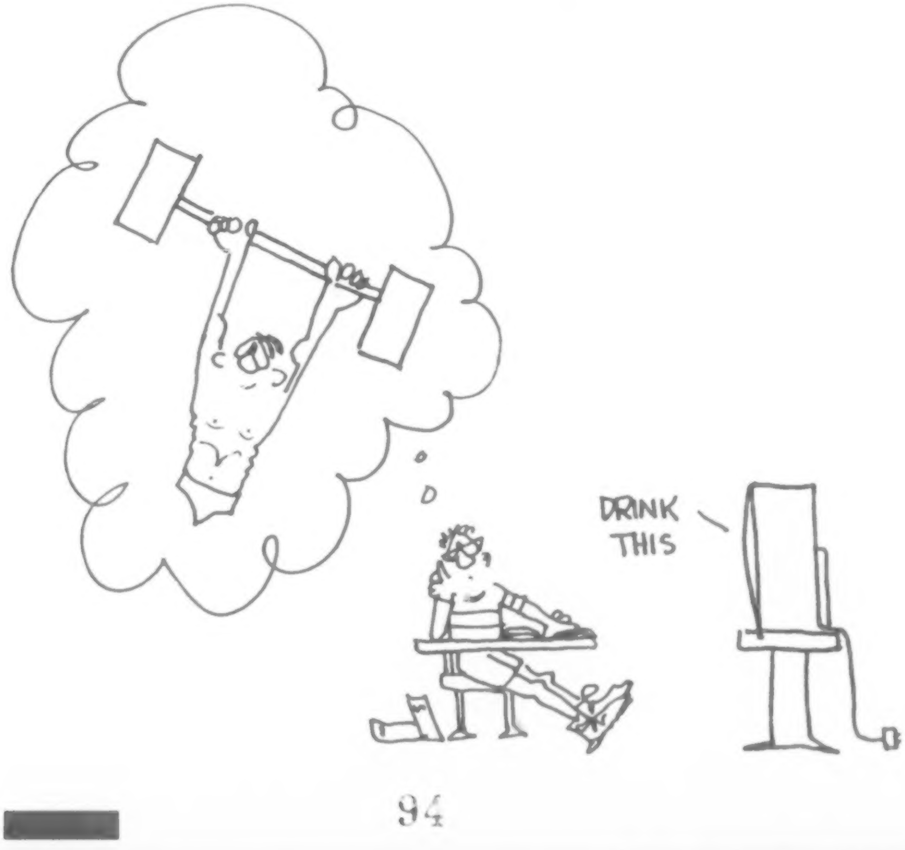
CONVINCING YOU TO BUY

To accompany Activity #2, "Techniques of Advertising"

Here are some techniques used by advertisers.

SPECIAL LANGUAGE:

New Improved	Products are called "new" or "improved" to encourage us to try them again.
Uniqueness	Advertisers claim their product is "one and only" or "only in Canada". This implies that being unique and different makes the product special and best.
Unfinished	A comparison is begun but not finished. For example: "We give you more". More what? More than who? The comparison implies "more" than other brands but it is not finished.
Vague	Vague claims are made about products.
Rhetorical	A question is asked but no answer is expected. Example: Why not change the things you can?
Fear Tactics	Advertisers play on our feelings of fear or guilt. They tell us that with their product we won't fail or be rejected.
Slogan	Slogans and songs are used in advertising. Soon we are able to hum the song as soon as we see the words. Example: "When you eat your Smarties do you eat the red ones last?".
Repetition	Advertisers repeat the name of the product or the company throughout an advertisement. This repetition helps us to remember the name.
Snobbery	The product is portrayed as special, important or reserved for a special class. The implication is that if we buy this product we will be special too.
Scientific	Statistics and graphs are used to make an advertisement appear to be supported by scientific proof.
Intellectual and Flattery	Sometimes advertisers try to flatter you through the language used in the ad. Example: "Nobody tries to sell you a label".



METHODS OF PRESENTATION:

Interview	People who use the product are interviewed. Those who give favourable responses make it to print.
Testimonial	Stars and sports heros are used to endorse a product. The idea is "if its good enough for my hero, its good enough for me".
Demonstration	Ads may demonstrate how quick and easy their product is to use.
Implied Promise	Ads are often set in beautiful places or among people having fun. It is implied that by using the product you too can experience these things.
Premiums	Ads may offer free gifts or coupons to encourage you to buy the product.
Association	Advertisers try to create a scene which we will associate with happy memories. It is hoped that our warm, happy feeling will come back when we see the product in the store.

IMAGES:

Stereotyped	Certain images of what people are and should be are created in ads. Masculine and feminine roles are assigned by advertisers.
Sex Appeal	Women may be used as decorations to sell everything from cars to alcohol. The message is directed to men and suggests that if you use this product you'll attract women like the women in the ads.
Physical Prowess	Products for men are often promoted as being for the man who is active, adventurous and physical.
Physical Transfor-mation	Products are promoted as having the ability to change your body or your looks.
Enhanced Self-Image	Ads may promote products by using our dreams of what we want to be.
Social Status	The message in these ads is that only the rich and powerful have this product so if you have this product, you must be rich and powerful too.

ACTIVITY #3

ARE YOU INFLUENCED BY ADVERTISING?

Objectives:

Students will be able to:

1. Realize that advertising has an impact on them.
2. Analyze their own consumer choices and determine the influence of advertising.
3. Recognize that advertising can create needs and wants.
4. Practice making a purchasing decision, taking into account the possible influence of advertising.

Teacher Preparation:

Duplicate class sets of the handouts "The Advertising Slogan Quiz" and "Students' Guide for Analyzing Consumer Decisions".

Time:

One class period.

Procedure:

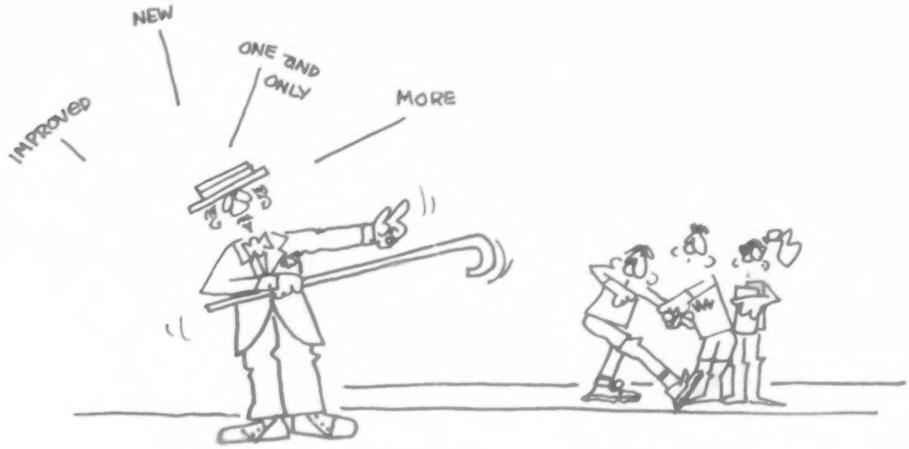
Explain to students that advertising is all around us and influences us whether we know it or not. Advertising wields tremendous pressure by creating needs and wants for products and services in the marketplace and by encouraging us to buy. If asked, most people would say they're not influenced by ads. However, in fact research tells us we all are.

1. Distribute to students the "Advertising Slogan Quiz" and ask them to complete it individually or in pairs. The results of the quiz will show students how much advertising has entered their consciousness. Use the answers to lead a discussion.
2. Have students identify a product or service they plan to buy in the next week. It can be of any value - from a bottle of shampoo to a stereo or car. Give students a copy of the "Students Guide for Analyzing Consumer Decisions" to work through and answer before they make their purchase.

   Have students report back to class after using the Guide. Have they discovered anything about the things that influence them to buy?

Evaluation:

Student self-evaluation is the best evaluation technique for this activity. To determine whether Objective #1 has been attained students should consider their responses to the "Advertising Slogan Quiz". To determine whether Objectives #2 to #4 have been achieved ask students to consider their answers to the "Students' Guide for Analyzing Consumer Decisions".



STUDENT HANDOUT:

ADVERTISING SLOGAN QUIZ

To accompany Activity #3, "Are You Influenced by Advertising?"

How many of these slogans can you complete?

1. Come on Canada, meet you at _______________.
2. _______________, you make good cookies.
3. _______________: don't leave home without it.
4. _______________: long grain rice that's ready in five minutes.
5. Built _______________ tough.
6. When you eat your _______________ do you eat the red ones last?
7. It's a good time for the great taste of _______________.
8. _______________: strong enough for a man, but made for a woman.
9. The gumm gumm with flavour, flavour _______________.
10. A little warmth for your miserable cold _______________.
11. At _______________ the lowest price is the law.
12. Good to the last drop _______________.
13. We're gonna make you love us _______________.
14. _______________: there are no other kinds.
15. _______________, can't beat the feeling.
16. _______________ helps you give like Santa and save like Scrooge.
17. _______________ too much!
18. We bring it all together at _______________.
19. _______________ right out of the ice.

ADVERTISING

For the Teacher

Answers and discussion guide for "Advertising Slogan Quiz"

1. **The Bay:** These ads are intended to appeal to our patriotic spirit. The images are truly Canadian.
2. **Mr. Christie:** Kids are the hook, they're cute and adorable - wouldn't you just love to buy Mr. Christie and have kids like that at home.
3. **American Express:** The traveller is the target in the American Express campaign. Wherever you go, for business or pleasure, American Express can provide you with services you can't live without.
4. **Minute Rice:** The ad emphasizes the simplicity of using this product. The main idea is repeated several times throughout the ad.
5. **Ford:** This ad inspires in potential buyers the idea that if they have a "tough" truck they'll be tough too.
6. **Smarties:** The old jingle is a favourite and does the job.
7. **McDonald's:** McDonald's uses timing to influence purchasing. Ads are often played close to meal time and talk about how easy it would be to stop at McDonald's. In addition, the ads give viewers a warm, happy feeling.
8. **Secret:** This is an example of an ad that stereotypes men and women. The ad implies that men are strong and women are weak. The deodorant is made for women (who are weak), but the product is so good that it could be used for men (who are strong) –or is it just that they perspire more?
9. **Chiclets:** This ad was made for its entertainment value.
10. **Neo Citran:** These ads are full of soothing images. The music is a lullaby, and a feeling of warmth and caring pervades. The product is shown to yield an instant cure. Does the dog come with it?
11. **Zellers:** The advertisers want you to believe that Zellers will protect you by providing the lowest prices for you. Consumer on the other hand have the responsibility to ensure that they get the best price.
12. **Maxwell House:** This slogan has been used for several years and viewers have come to expect it at the end of the ads. The ads stress the purity and old-fashioned goodness of the product.
13. **Burger King:** The jingle, based on a 60's hit by Diana Ross and the Supremes is intended to appeal to the "Baby Boomers" harkening back to the happy memories of their youth.
14. **Heinz:** The Heinz ads stress the uniqueness of their ketchup. We have been told for years that nothing can measure up to Heinz ketchup. The ads always show ordinary people choosing Heinz or being disappointed when they can't have it.
15. **Coca-Cola Classic:** These ads show people having fun with friends while enjoying the product. The impression is that if you drink Coke you can enjoy the same lifestyle.
16. **Canadian Tire:** Using two of our favourite Christmas characters and a catchy jingle, these ads are bound to grab your attention at Christmas time.
17. **Trident:** These ads use images many people are striving for: the male "yuppie" who "knows women too much" or female "yuppie" who worries about her job "too much".
18. **Safeway:** The Safeway ads are usually centred around gatherings of friends and family. The ads provide plenty of examples of what will be needed to plan these gatherings. Seeing the happy people on the ads you may think about using some of the products at your next party.
19. **Labatt's Lite:** The beer ads present a convincing example of people having fun with friends while enjoying their product.

Score:

____ 16 to 18
You either have a photographic memory or you watch a lot of television. You are very susceptible to the messages.

____ 12 to 15
Not bad. You're aware of what goes on around you. Can you sing the jingles too?

____ 6 to 11
Not good. The advertisers will have to work harder.

____ 0 to 5
Watch out. You walk around in a fog and aren't paying attention.

STUDENT HANDOUT:

STUDENT GUIDE FOR ANALYZING CONSUMER DECISIONS

To accompany Activity #3, "Are You Influenced by Advertising?"

Before making any purchase, evaluate your decision to buy to see if:

- advertising has influenced your decision.
- there is a real or created need for the product.
- the product is the best buy on the market.

Following are some questions which may assist you to analyze your decision and to identify the influence that advertising may have had.

1. **Analyze the influence and techniques of advertising:**
   - What prompted your decision to buy?
   - What prompted your decision to buy this particular product or to shop at this particular store?
   - How much time, energy and thought are you willing to spend making this decision?
   - Did you choose this item because you were attracted by the package, colour, size, pictures, shape, letters, name, prizes?
   - Have you planned to spend your money in this way at this time (or is it an impulse purchase)?
   - If the product is advertised:
     - was the setting in the message something you would like to do or have?
     - did the people in the ad look how you would like to look?
     - were there cute kittens/kids/dogs in the ad?

2. **Analyze the need for the product:**
   - Why do you need or want this?
   - Are you purchasing this product to impress someone?
   - Did you decide to buy this product when you were lonely, hungry, angry, sad, elated, depressed?
   - Are you buying this because someone else has one?
   - Have you been promised more than a product? Are you buying this product to change your life?

3. **Analyze the product:**
   - Where can the product be purchased?
   - Where might you get objective, accurate information if you need it?
   - Specifically, what qualities do you want this item to possess?
   - How much are you willing to spend?
   - If this exact item is not available, how much would you be willing to compromise?
   - Is there a new edition of this product?
   - Is it the "best money can buy" or is it the best buy on the market?
   - Will this item be going on sale?
   - If it is a food product, have you read the list of ingredients?
   - Is there a store brand with the same ingredients that is cheaper?
   - Are the ingredients proven safe and effective?
   - Does this product help you make good use of your resources, time, energy and money?

In summary, ask yourself:
- Do I really need this product?
- Is this product the best buy on the market?

CONSUMER DECISIONS

ACTIVITY #4

ADVERTISING AND THE LAW

Objectives:

Students will be able to:

1. Explain the legislation and standards which regulate advertising.
2. Describe the role that advertising regulations and standards have in protecting consumers in the marketplace.
3. Investigate the validity of claims made in advertising.

Teacher Preparation: Duplicate a class set of the handout "Advertising: the Law and Codes Quiz".

Time: One class period.

For the Teacher

Misleading Information
Under the law, there is no federal regulation of advertising in the sense of requiring advertisers to amend or withdraw advertisements. Some statutes, however, regulate advertising for certain classes of products. Examples are:

- The **Competition Act** makes it a criminal offense to make advertising statements that are "untrue, deceptive or misleading".
- The **Food and Drugs Act** prohibits false claims about the "value, quality, composition, merit or safety" in any ads for any food, drug, cosmetic, or medical device.
- The **Trade Mark Act** prohibits "confusion" in the marketplace. This means, for example, that if you register a particular trade mark, no one else can then use one that is so similar to yours that the two could be confused or mistaken for each other.
- The **Canadian Radio-television Telecommunications Commission** (CRTC) and the federal Department of Consumer and Corporate Affairs must approve all broadcast advertising.
- Some provinces have laws regarding advertisements for beer, wine, liquor and tobacco.

In addition, the Advertising Standards Council is an industry organization which administers the **Canadian Code of Advertising Standards** which sets standards for children and sex-role stereotyping.

Procedure:

Explain to students the regulations and standards that control advertising in Canada. Discuss with students:

- Why is legislation prohibiting misleading ads and standards prohibiting exploitation of women and children necessary?
- What could/would advertising be like if there weren't any legislation or standards?

1. Have students complete the handout "Advertising: the Law and Codes Quiz". Use the answers as a guide for discussion.
2. Have students choose an ad which makes a number of claims (perhaps claiming to be based on scientific evidence or a research study). Have students write to the manufacturer asking them to substantiate their claims. When, what, who and how was the study done? (Addresses can be found on the package of the product or at the public library.) When responses come back, have students share them with the class and evaluate as a group.

Is there valid research to back the claim? If not, students may wish to write once again to the manufacturer telling it that they believe the claim to be weak, and also write to the Advertising Standards Council with their information.

Advertising Standards Council
1240 Bay Street, Suite 302
Toronto, ON
M5R 2A7

Evaluation:

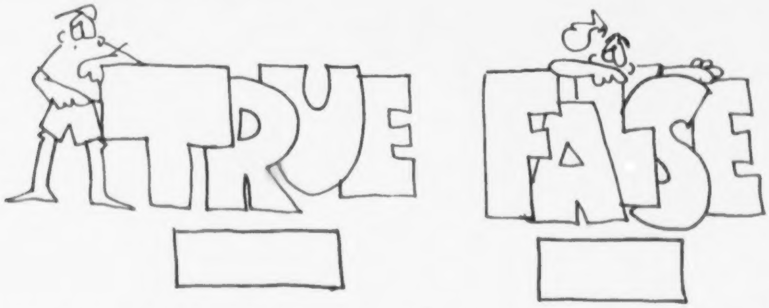
Use the answers to "Advertising: The Law and Codes Quiz" and the discussion around the quiz to assess Objectives #1 and #2. To assess Objective #3 consider the process in which students wrote to the manufacturer of a product asking about scientific claims made in advertising. Are students able to assess the validity of the manufacturers' answers?

STUDENT HANDOUT:

ADVERTISING: THE LAW AND CODES QUIZ

To accompany Activity #4, "Advertising and the Law"

Advertising is governed by two sets of rules. The Misleading Advertising provisions in the Competition Act are administered by Consumer and Corporate Affairs, Canada. The Code of Advertising Standards, established by the advertisers themselves, is administered by the Advertising Standards Council.



Test your knowledge about the laws and regulations governing advertising and marketing techniques:

1. A store which advertises 10% off the regular price of an item when, in fact, it has never sold the item, may be charged with an offence.
   ☐ True ☐ False
2. A merchant with two or more outlets must charge the same price for the same merchandise in each store.
   ☐ True ☐ False
3. A manufacturer can set the retail price of goods.
   ☐ True ☐ False
4. It is required that individuals giving testimonials for a product must have used the product and believe in it.
   ☐ True ☐ False
5. If two prices appear on an item, the store must sell it to the consumer at the lower price.
   ☐ True ☐ False
6. If there is a printing error in an advertisement, the store must sell the item for the advertised price.
   ☐ True ☐ False
7. In order to receive a gift in a "free" contest, the organization can require that you make a purchase.
   ☐ True ☐ False
8. An ad stating "satisfaction guaranteed" means a consumer can return an item for a full refund if he or she is not happy.
   ☐ True ☐ False
9. If a store advertises a product at a bargain price but does not have any items in stock, an offence has been committed.
   ☐ True ☐ False
10. It is legal for a television advertiser to try to increase sales by including messages in ads which people can't really see or hear (subliminal).
    ☐ True ☐ False

For the Teacher

Answers and discussions guide for "Advertising: the Law and Codes Quiz"

1. **True,** except in the case of competitive stores (e.g., a chain of grocery stores) in a trading area in which one store has sold the item at regular price.
2. **False,** the price may vary from store to store, area to area.
3. **False,** manufacturers may "suggest" a retail price but it is each individual store which sets the price.
4. **True,** in order for an individual or a celebrity to endorse a product, s/he must have used the product and believe in it.
5. **True.** Under the **Combines Investigation Act,** if there are two price tags shown on a product, the lower price must be the one charged.
6. **False,** the store does not have to suffer loss due to an error made by another party.
7. **False,** a "free" contest is just that. It is free. There is no purchase necessary.
8. **True,** if a store advertises that it "guarantees" satisfaction, and if the only way a consumer will be "satisfied" is to return the goods for a full refund, then the store must comply.
9. **True,** unless the store has indicated limited numbers in the ad or can show circumstances for non-supply beyond his/her control.
10. **True.** A 1987 amendment to the **Television Broadcasting Regulations** removed the prohibition against the use of subliminal techniques.

For further information or clarification about misleading advertising, contact the federal department of Consumer and Corporate Affairs, Canada closest to you.

ACTIVITY #5

IF YOU DON'T LIKE WHAT YOU SEE - COMPLAIN

Objectives:

Students will be able to:

1. Recognize, that as consumers, if they don't like an ad they have the right and responsibility to communicate their concern.
2. Launch an effective complaint by knowing how and who to approach.
3. Practise writing a letter of complaint regarding advertising that offends them or appears misleading.

Teacher Preparation:

Ensure that students have access to library resources to locate addresses.

Duplicate a class set of the handout "Advertising Contacts".

Time:

One class period.

Procedure:

Explain to students that they can influence the kinds of ads which appear. Manufacturers and sellers want consumers' business. The intent of their advertising is to provide information and sell, not to offend people. They are usually sensitive and responsive to consumer feedback. For example, in the Spring of 1989, the Western Canada Lottery ran an ad featuring a man that was a stereotypical "swinger". It was meant to be funny but a great many people found his reference to women as "chickies" to be offensive. In response to numerous complaints, the ad was cancelled.

Have students identify an advertisement which they don't like. It can be a print ad, or on radio or TV. Perhaps it looks misleading, uses vague claims, or offends them in some way such as exploiting women.

Have students develop a plan, identifying the appropriate people and places to write to with their concern. Each plan should begin with the advertiser (radio, TV, newspaper or magazine), the retailer, the manufacturer and the Advertising Standards Council or Consumer and Corporate Affairs. Provide students with a copy of the handout "Advertising Contacts" for addresses. Have students use the library to locate other addresses.

Have students share the responses they receive with the class.

Evaluation:

To assess Objective #1 listen for remarks and comments made by students. Do students realize that each individual has a responsibility to be an advertising "watchdog"? To assess Objective #2 examine students' plans for letting people know about their concern with a particular ad. Have students identified several places to which they might write?

Finally, examine the letters of complaint that students write to assess Objective #3. Are the letters polite but to point? Do they identify the ad specifically and state what is wrong with it?

Additional Activities:

Have students select an ad they think is particularly good. It should be one that presents useful information about a product and doesn't offend anybody. Encourage students to write the manufacturer, advertiser, retailer, etc. complimenting them on the ad.

IF YOU DON'T LIKE WHAT YOU SEE
COMPLAIN .. COMPLAIN .. COMPLAIN .. COMPLAIN

STUDENT HANDOUT:
ADVERTISING CONTACTS

To accompany Activity #5, "If You Don't Like What You See - Complain"

Manufacturers do not wish to alienate customers by advertising their products in a way that offends people. Stores do not wish to lose customers because of their marketing techniques. TV stations depend on their audiences to sell commercial time. If they lose audiences by running certain advertisements, they want to know. Let your opinion be heard. You will be surprised at how powerful it can be.

In addition to contacting manufacturers, retailers and broadcasters, write to the Advertising Standards Council.

The Advertising Standards Council has adopted the Canadian Code of Advertising Standards. For a copy of the code or to bring their attention to ad that disturbs you, write them as this address.

Advertising Standards Council
1240 Bay Street, Suite 302
Toronto, ON
M5R 2A7

If you think that an advertisement is misleading, contact the closest office of Consumer and Corporate Affairs Canada. The address can be found in the blue pages of the telephone book.

When complaining about an advertisement enclose a copy of the ad or specify the time, date and station on which it was broadcast. Be sure to explain what you think is wrong with the ad.

IF YOU DON'T LIKE WHAT YOU SEE
COMPLAIN .. COMPLAIN .. COMPLAIN .. COMPLAIN

ACTIVITY #6

WOMEN AND ADVERTISING

Objectives:

Students will be able to:

1. Recognize the negative and limited images of women in advertising.
2. Consider the impact of these images on women and society.
3. Analyze the use of sexuality as a sales technique.

Teacher Preparation:

Ask students to bring a supply of old magazines to class. Duplicate a class set of the handout "Women and Advertising".

Time:

One class period.

Procedure:

1. Discuss with students the images of women found in advertising. You may base your discussion on the handout "Women and Advertising". Give students a copy of the handout and some magazines and have them look for ads which continue to use the images to portray women.

   Have students share their ads with class. Discuss:
   - The affect these ads have on defining the role(s) of women in our society.
   - Do these ads reflect reality?
   - Do these ads reflect changing roles?
   - How do ads which portray women as sex objects or "silly" make the female students feel?
   - How do male students feel when they see these ads?
   - How do the males feel about ads which portray them poorly?
   - What do students think of ads which exploit human sexuality?
   - Does sex sell?
   - When women or any other group are stereotyped in ads what impact does this have on society?
2. Have students look for stereotyping of other groups. For example, farmers, sports fans, athletes, cultural minorities, etc.
3. Have students identify ads to share with class which are positive, non-exploitive and non-stereotyping. Students may wish to write letters of appreciation and support for those ads which realistically and sensitively reflect people's lives.

Evaluation:

To assess Objective #1, examine the ads that students cut out of magazines. Are they able to distinguish between those which are exploitive of women and other groups, and those ads which are not? To assess Objective #2 and #3 consider the comments made during the discussion which concludes Part 1 of this activity. Do students recognize that sexist images are demeaning to both women and men?

Additional Activities:

1. Have students prepare displays, collages and bulletin board murals which feature the ads they've collected.
2. Show the films "Killing Us Softly" and "Still Killing Us Softly".

STUDENT HANDOUT:
WOMEN AND ADVERTISING

To accompany Activity #6, "Women and Advertising"

There is usually little connection between the pretty face and the item for sale. In fact, it is often not clear **what** is for sale.

Men are generally shown as incompetent in the kitchen and involved in cleaning only when the "little lady" is away.

One study of advertising in television showed a significantly smaller proportion of women having paid employment, 16% as compared to 37% of men. Yet women make up 44% of the labour force. The same study also found that women are more likely than men to appear in a child care, or family setting. Fourteen percent of major female characters are seen doing home management tasks compared to 4% of major male characters.

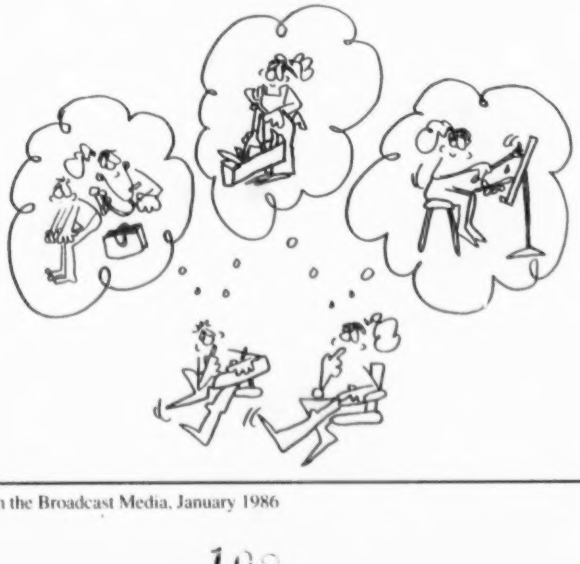
Similarly, women appear proportionately more often as consumers (75% for women, 59% for men), and less often as salespersons or experts. The sales roles include 15% female and 30% male.

The ads involving preparation of food tend to feature women and girls (52% female vs. 30% male), whereas ads showing consumption of food tend to feature men and boys (32% male, 18% female).

Eighty-six percent of the voices giving advice as "voice-overs" were male. This is a small improvement over a 1979 study which showed 92% of the "voices-over" as being male.

Advertisers often use the image of a beautiful woman to attract consumers' attention to their product. They also assign certain roles and images to men and women.

Historically, women have been portrayed as:
- the family nurse, responsible for hygiene, nutrition, health and care of every scratch and bruise.
- servants, doing laundry, dishes, housework, and serving food, drinks and snacks
- the family secretary
- dependent emotionally, intellectually and physically, in constant need of advice
- childish, illogical and frivolous, spending money wildly on luxuries
- jealous, passive, seductive
- incomplete without a man
- obsessed with clean houses and clothes
- insecure without the approval of a man or their children
- worshipped only if young, slender, beautiful and "shapely", and decorations or sex objects.



Sex-Role Stereotyping in the Broadcast Media, January 1986

ACTIVITY #7

MAKE YOUR OWN AD

Objectives: Students will be able to:

1. Identify all the factors which advertisers take into account when making an ad. (Information and persuasion, plus repetition and advertising codes.)
2. Practise developing an ad and balancing ethical and effective persuasion techniques.

Teacher Preparation: Duplicate a class set of the handout "Guidelines for Non-Sexist Advertising"

Time: Two class periods.

Procedure: Divide students into groups of four or five. Ask each group to choose a product, event or service (real or imaginary) and design an advertisement for it. Students can choose between a print ad or a TV commercial. If they choose a TV ad, they must act it out. Students may want to videotape their advertisements.

While designing their ad, students may wish to use some of the techniques outlined in the handout "Techniques of Advertising" which accompanied Activity #2. Students should also keep in mind the regulations and codes which advertisers must follow (Activity #4). Give the handout "Guidelines for Non-Sexist Advertising" to each group.

Then have students act out or present their ads/commercials to the class. The class can identify the techniques used and evaluate each ad according to the guidelines for non-sexist advertising developed by the CRTC and the advertising industry.

Evaluation: Have students evaluate each other's ads. First have the class as a whole develop a checklist which can be used for evaluation purposes. Then when each group presents its ad, have the rest of the class evaluate it using the checklist.

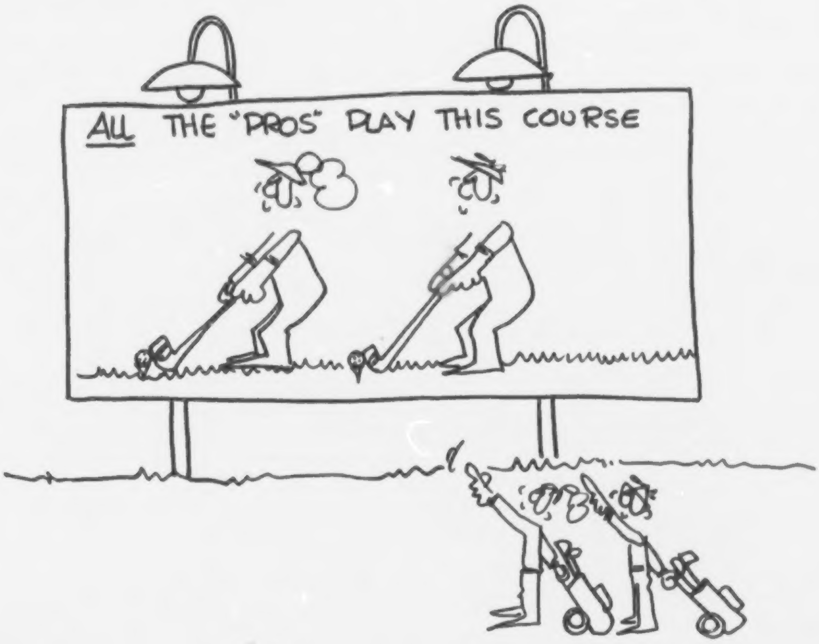
"MAKE YOUR OWN"

STUDENT HANDOUT:
GUIDELINES FOR NON-SEXIST ADVERTISING

To accompany Activity #7, "Make Your Own Ad"

The Canadian Radio-Television and Telecommunications Commission Task Force and the advertising industry adopted the following guidelines for use as a basis to eliminate the problem of sex stereotyping in advertising.

1. Advertising should recognize the changing roles of men and women in today's society and reflect the broad range of occupations for all.
2. Advertising should reflect a contemporary family structure showing men, women and children as equally supportive participants in home management and household tasks, and as equal beneficiaries of positive attributes of family life.
3. Advertising, in keeping with the nature of the market and the product, should reflect the wide spectrum of Canadian life, portraying men and women of various ages, backgrounds and appearances, actively pursuing a wide range of interests - sports, hobbies, business - as well as home centred activities.
4. Advertising should reflect the realities of life in terms of the intellectual and emotional equality of the sexes by showing men and women as comparably capable, resourceful, self-confident, intelligent, imaginative and independent.
5. Advertising should emphasize the positive, personal benefits derived from products or services and should avoid portraying any excessive independence on or excessive need for them.
6. Advertising should not exploit women or men purely for attention-getting purposes. Their presence should be relevant to the advertised product.
7. Advertising should reflect the contemporary usage of non-sexist language, e.g., "hours" or "working hours" rather than "man-hours", synthetic" rather than "man-made", "business executives" rather than "businessmen" or "businesswoman".
8. Advertising should portray men and women as users, buyers, and decision-makers, both for big-ticket items and major services as well as smaller items.
9. Advertising should reflect a realistic balance in the use of women, both as voice-overs and as experts and authorities.


ALL THE "PROS" PLAY THIS COURSE

ACTIVITY #8 -

TESTING THE ADS

Objectives: Students will be able to:

1. Analyze and test advertising claims against actual performance.
2. Establish the degree of difference between claims made or appearance given of a product, and the reality or actual performance.

Time: Two class periods.

Procedure: Divide students into groups of four to five. Have each group choose a product which makes specific claims or appears impressive. (Ad may be in a magazine or a TV commercial.) For example, children's toys, breath mints, batteries. The purpose is to determine if the product is as good as the ad says or makes it appear.

For Example:
Child's racing car - is it really like it looks on TV? Can it perform as shown? Size? Speed? Sound?

Batteries - do they last as long as advertised?

Have each group devise a test for the product chosen. Have students bring their products to school and test them using the test they developed. Have students write up their test results. Encourage students to be specific about how ads "stretch the truth" or adapt test findings so they look better to consumers. Students should provide their classmates with copies of the ads they are testing for comparison purposes.

Discuss with class how ads can make things look better than they may actually appear without being so far off as to be legally misleading.

Evaluation: Analyze students' written test results in order to determine whether the objectives have been met.

APPENDIX

LIST OF APPENDICES

Appendix #1 – Organizations

Government Departments of Consumer Affairs

Consumers' Association of Canada

Environmental Associations

Other Organizations

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Kinds of Small Groups

The Teacher's Role in Small Groups

The Student's Role in Small Groups

Characteristics of Effective Group Members

The Duties of the Group Leader

The Duties of the Participants

Advantages of Using Small Groups

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Assessing Small Group Effectiveness

APPENDIX #1 - ORGANIZATIONS

Government Department of Consumer Affairs
Contact these agencies for information about consumer legislation. Some also provide educational services and information on specific products.

Consumer and Corporate Affairs Canada
Ottawa, Ontario
K1A 0C9
(819) 997-2938

Ontario Ministry of Consumer and Commercial Relations
555 Yonge Street
Toronto, Ontario
M7A 2H6

Alberta Consumer and Corporate Affairs
10065 Jasper Avenue, Capital Square, 7th Floor
Edmonton, Alberta
T5J 3B1
(403) 427-2201

British Columbia Ministry of Consumer and Corporate Affairs
940 Blanshard Street
Victoria, British Columbia
V8W 3E6
(604) 387-6831

Manitoba Consumers' Bureau
114 Garry Street
Winnipeg, Manitoba
R3C 1G1
(204) 956-2040 (in Winnipeg)
1-800-782-0067 (in Manitoba)

New Brunswick Consumer and Corporate Affairs Branch
Department of Justice
Box 6000
Fredericton, New Brunswick
E3B 5H1
(506) 453-2659

Newfoundland Consumer Affairs Division
Department of Justice
Elizabeth Towers, Box 999
St. John's Newfoundland
A1C 5T7
(709) 737-2600

Northwest Territories Consumer Services
Department of Justice and Public Services
Government of the Northwest Territories
Yellowknife, Northwest Territories
X1A 2L9
(403) 873-7125

Nova Scotia Department of Consumer Affairs
Consumer Services Division
5151 Terminal Road, Box 998
Halifax, Nova Scotia
B3J 2X3
(902) 424-4690

Quebec Office de la Protection du Consommateur
6, rue de l'Université
Rez-de-Chaussée
Quebec, Quebec
G1B 5J8
(418) 643-1557

Saskatchewan Family Foundation
Consumer Education and Marketplace Relations Branch
1871 Smith Street
Regina, Saskatchewan
S4P 3V7
(306) 787-3938

Yukon Territory Department of Consumer and Corporate Affairs
Government of the Yukon Territory
Box 2703
Whitehorse, Yukon Territory
Y1A 2C6
(403) 667-5312

Consumers' Association of Canada

The Consumers' Association of Canada is an advocacy group for consumers. It speaks out on issues of importance to consumers. As well, it tests specific products and services and makes the results of its test available to consumers.

Consumers' Association of Canada
National Office
Box 9300
Ottawa, Ontario
K1G 3T9

Alberta Office:
304 - 10136 - 100 St.
Edmonton, Alberta
T5J 0P1

British Columbia Office:
103 - 163 West Hastings
Vancouver, British Columbia
V6B 1H5

Manitoba Office:
21 - 222 Osborne St. S.
Winnipeg, Manitoba
R3L 1Z3

Westman Office:
935 - 26th Street
Brandon, Manitoba
R7B 2B7

Newfoundland Office:
92 Old Topsail Rd.
St. Johns Newfoundland
A1E 2A8

Northwest Territories Office:
Box 995
Yellowknife, Northwest Territories
X1A 2N7

Nova Scotia Office:
Box 1867
Stellarton, Nova Scotia
B0K 1S0

Ontario Office:
403 - 234 Eglinton Ave. E.
Toronto, Ontario
M4P 1K5

Quebec Office:
4823 Sherbrooke St. W.
Montreal, Quebec
H3Z 1G7

Saskatchewan Office:
136 Ave. F South
Saskatoon, Saskatchewan
S7M 1S8

Environmental Associations

A few national environmental associations are listed below. Check the local phone book or with your public library for information about environmental associations in your area.

Canadian Environmental Network (CEN)
P.O. Box 1289, Station B
Ottawa, Ontario
K1P 5R3

Canadian Nature Federation
453 Sussex Drive
Ottawa, Ontario
K1N 6Z4

Canadian Wildlife Federation
1673 Carling Avenue
Ottawa, Ontario
K2A 3Z1

Directory of Canadian Women Specializing in Global Issues
c/o Canadian Council for International Co-operation
1 Nicholas Street, Suite 300
Ottawa, Ontario
K1N 7B7

Environment Canada
Environment Protection Service
Ottawa, Ontario
K1A 1C8

Friends of the Earth
251 Laurier Avenue West
Suite 701
Ottawa, Ontario
K1P 5J6

Greenpeace
Ontario Branch Office
580 Bloor Street West
Toronto, Ontario
M6G 1K1

Pollution Probe
12 Madison Avenue
Toronto, Ontario
M5R 2S1

Solar Energy Society of Canada
11 York Street
Ottawa, Ontario
K1N 5S7

World Wildlife Fund Canada
60 St. Clair Avenue East
Suite 201
Toronto, Ontario
M5T 1N5

Other Organizations

The agencies listed below are mentioned in the body of **Project Real World** and users are referred to the appendix for full addresses.

Canadian Standards Association
178 Rexdale Boulevard
Toronto, Ontario
M9W 1R3

Canadian Radio, TV and
Telecommunication Commission (CRTC)
Ottawa, Ontario
K1A 0N2

Health Protection Branch
Health and Welfare Canada
Ottawa, Ontario
K1A 0L2

Direct Sellers Association
4950 Yonge Street, Suite 1400
North York, Ontario
M2N 6K1

APPENDIX #2 - WORKING IN SMALL GROUPS

Small group learning units are a good way to increase teacher and student communication.

Small groups increase flexibility and help students adopt more independent and responsible learning methods and become more self-disciplined (Stanford 1977).

With small groups, students can become active participants in the classroom, and more motivated to achieve.

The purpose of small group learning is to share information, solve problems, make decisions or help each other learn content or process.

Tips for using small groups:

1. Use groups of 4 to 8 students.
2. Provide space with proper furniture and good acoustics.
3. Make sure that group leaders fully understand their role.
4. Make sure that group members fully understand their role.
5. If necessary, give students background information on the topic being discussed.
6. The topic should stimulate thinking and help students realize that any number of "correct answers", and a variety of legitimate viewpoints can exist.
7. Give students clear objectives. What is the purpose? (You may wish to have students define the objectives.)
8. The classroom climate should be friendly and nonthreatening. Group members need acceptance, trust and security so that they can contribute freely, without teacher or other pressure or censure.

Kinds of Small Groups
Depending on what you want to do - what your topic or task is for the students - there are different types of small groups you can use:

1. **Discussion Group**
   - A discussion group encourages students to become involved with their peers. It recognizes the importance of being able to work with others.
   - The teacher must provide students with sufficient background information for the discussion of a clear understanding of the objectives.
   - This is a good way to handle classroom, community or national issues.
2. **Brainstorming Group**
   - Brainstorming is a fun way to encourage creative thinking and problem-solving.
   - It stimulates individual student's participation and is nonthreatening so can draw out shy students.
   - Students, in a set time, are asked to come up with as many ideas or suggestions on a topic as they can.
   - Quantity of ideas is desired, freewheeling is effective and hitchhiking on their group or individual ideas is permitted.
   - Judgement is deferred until the end and criticism is not allowed.
   - This is a good way to introduce students to other small group work.

3. **Buzz Group**
   - Small clusters (4 to 7 students) are grouped for a short time (5 to 10 minutes) to seek the solution to an issue or problem.
   - A recorder and leader are chosen quickly in each group.
   - Alternatives to the issue are sought. The pros and cons of these are considered, agreement is sought and a solution is proposed.
   - Teachers can use Buzz groups on many occasions in the classroom. For example, when an issue is raised during a lesson, you can announce a buzz group session to explore it.

4. **Think-Pair-Share Group** (Lyman, 1985)
   - This method extends students' thinking and interaction.
   - The teacher begins with a short presentation on the topic. To encourage students to consider more fully what was explained, the teacher poses one question and asks students to spend a minute or two thinking alone about the issue.
   - Students are then assigned to pairs to share what they were thinking. One student makes a statement and the other must paraphrase it until the position of the student who made the statement is understood. This is followed by a reversal of the statement-maker and paraphraser roles.
   - Students (pairs) then report back to the whole group or other pairs.

5. **Problem Solving Group**
   - Group members, in a systematic way, seek the solution to a problem.
   - Problem-solving groups are based on the "Scientific Method."

   The steps are:
   - **problem definition,**
   - **brainstorm the likely causes of the problem,**
   - **decide the most likely cause,**
   - **brainstorm potential solutions,**
   - **select the most likely solution** (based on determination of pros and cons of alternatives), and
   - **decide when and how to implement the solution.**

6. **Tutorial Group**
   - Tutorial groups are set up to help students who need help or additional practice or for students who can benefit from enrichment.
   - A tutorial group is led by the teacher or by a student.
   - Greater attention to individual needs is possible and students can participate more actively when tutorial groups are used.

7. **Laboratory Group/Investigative Group**
   - A laboratory group is formed to complete a project, do an experiment, or practice something that has been presented by you.
   - A common example is a chemistry laboratory group.

8. **Role-Playing Group**
   - In a role-playing group, each group member is assigned a role to assume on a controversial topic.
   - Students may or may not agree with the stance they have been given to present or defend.
   - A role-playing group can bring out all sides of an issue or help students learn to understand the ideas or feelings of others.

9. **One-Three-Six Group**
   - The one-three-six group method can be used at almost any time during a lesson.
   - Students are asked, as individuals, to record their opinion on an issue. Then each student is asked to join two other students (form groups of three) and come to an agreement.
   - Two groups of three join and seek consensus.

10. **Panel, Symposium, Forum, Dialogue and Round Table**
    - Rather than the teacher presenting information and ideas through lectures, assigned questions or readings, students can play an active part in their learning.
    - This can be done by setting up a:
      - **panel** (a group of students discuss a topic before a class - chaired by either the teacher or a student),
      - **committee** (a group of students learn about a topic and report),
      - **symposium** (several students become "experts" in a topic and give brief presentations to the class),
      - **forum** (a class discussion in which a problem is explored through questions and answers and short statements under the guidance of a chairperson),
      - **dialogue** (two people discuss a topic in front of the class),
      - **round table** (a group of students discuss an issue in front of a class).
    - Students find these methods motivating. The teacher can provide a summary to ensure that content is organized, correctly understood and that it links to what is being studied.

11. **Value-Clarifying Group**
    - Groups are presented with a value-laden topic.
    - Each group is asked to find a number of solutions, discuss the pros and cons of these alternatives and decide.
    - The idea is for students to clarify their values and learn to understand and tolerate the values of others.
    - Value-clarifying groups should be used with care.
    - This is a controversial method. Some educators believe it to be motivating and invaluable for developing critical thinking skills; others believe the approach to be superficial and laden with inadequacies and problems.

The Teacher's Role in Small Groups

- Communicate objectives, select the topic or assignment and ensure the task is understood.
- Decide the size of the group.
- Assign the students to groups.
- See that the room is arranged to accommodate group work.
- Provide appropriate materials.
- Set the period for completion of the task.
- Inform the group of the behavior expected and teach interpersonal and group skills.
- Act as a resource person and monitor.
- Intervene as necessary to solve problems or to teach group skills.
- See that group effectiveness is monitored.
- Evaluate the product of the group and the individuals in it.
- Encourage a classroom climate that is nonthreatening and friendly.

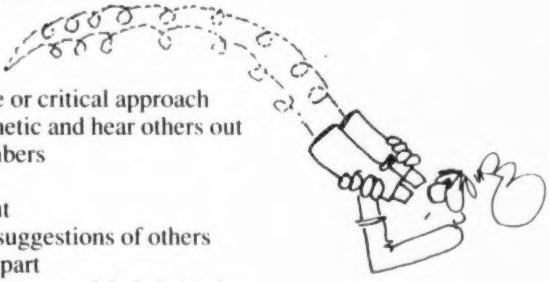
The Students' Role in Small Groups (Stanford and Rourke, 1974)

- **Initiator** - gets discussion underway, helps the group organize, and keeps it moving toward the goal.
- **Contributor** - offers opinions, facts, anecdotes, or examples that could help the group solve the problem.
- **Clarifier** - helps make sure that the terms, the problem and contributions by group members are understood by all. If needed, the clarifier suggests that added information be sought.
- **Summarizer** - helps keep discussion relevant and to the point by bringing together and summarizing what has been discussed or learned to date. The summarizer also makes sure that everybody in the group understands where the group stands on an issue.
- **Evaluator** - keeps track of how well the group is progressing in its task and tactfully points out problems the group is having in working together.
- **Recorder** - records the main points of the discussion and a summary of the group's discussion. On occasion what was recorded is read back to help the group recall what was covered during discussion or to make sure that it is accurate.
- **Encourager** - facilitates participation by listening carefully, being friendly, complimenting members for their contributions and inviting participation.
- **Harmonizer** - is the peace-keeper, the "one who throws oil on troubled waters" by relieving tension (perhaps through humour), settling disputes, helping the group work out disagreements and suggesting compromises.

Characteristics of Effective Group Members.

Teach members to:

- be on time and attend all group sessions
- take an active part and contribute information and ideas
- contribute to group maintenance
- have a positive, rather than negative or critical approach
- listen when others speak, be empathetic and hear others out
- respect and interact with other members
- respect individual differences
- avoid prejudices and keep biases out
- seek, and be open to, the ideas and suggestions of others
- encourage non-contributors to take part
- accept responsibility for the consequences of their behavior
- be sensitive to the feelings and concerns of others
- avoid self-serving, judgemental, blaming, grandstanding or storytelling behavior
- be genuine and open
- support others and help them articulate their ideas
- help the group by summarizing, clarifying, mediating, praising and encouraging
- use problem-solving, decision-making, and conflict resolution frames of reference
- act as group leader, recorder, or group effectiveness monitor as appropriate



The duties of the group leader are to:

- see that the "problem" is clarified
- get discussion started
- keep discussion moving
- see that all phases of the problem are brought out
- keep discussion on topic
- encourage full participation and draw out "non-talkers"
- be objective
- rephrase, clarify statements or have others do this
- see that summaries or conclusions are made
- see that all members are treated with respect
- respect the confidence of the group
- report, or see that the thoughts of the group are fairly reported

The duties of participants are to:
- contribute a reasonable quantity of ideas and experiences
- keep prejudices out (at the very least, recognize them as such)
- keep on topic
- avoid "story-telling" and engaging in long, drawn-out arguments
- avoid making speeches to show off
- help phrase ideas and statements
- show respect for the ideas and opinions of others
- confine the argument to ideas and not engage in personal attacks
- help make summaries and reach a conclusion
- act as recorder or discussion evaluator as assigned.

Advantages of Using Small Groups

1. **Increased resources.** "Two heads are better than one." A group has access to more information and has a broader background than does any individual. More insights are likely to occur. A group can create more ideas.

2. **Members are often stimulated by others.** Members may be motivated to help the group succeed for social approval reasons. "Ideas beget ideas." "Hitchhiking" occurs (i.e., what one person thinks of or says may prompt an idea in another person, or suggestion by one person may be improved or extended by another).

3. **Better decisions can result.** Groups can produce better decisions than students working separately. Ideas can be clarified, refined, combined and evaluated through the interaction of group members; therefore, decisions should be superior.

4. **Group members may have a stronger commitment.** If group members help hammer something out, they tend to feel a stronger commitment to accept the result and follow through.

5. **Students are more actively involved.** Participation is more likely to be active rather than passive. This increases motivation, participation, learning, retention and commitment.

6. **Personal and social learnings take place.** Increased understanding of self, others and group processes can result. Interpersonal and social skills can be improved and an increased self-concept can result. Prejudices can be reduced. Students gain insights into the attitudes, reactions and sensitivities of others and may examine and modify their behavior. Ability to contribute rationally and constructively can be improved.

7. **Peer teaching is advantageous.** Studies confirm that peer teaching is powerful. Some things are learned better and faster when taught by peers. Ideas are put in "student language" rather than "teacher language," examples and explanations used by peers are often more relevant to students than teacher or text examples.

8. **Learning may be deepened.** Often material is easily forgotten since it often is just memorized and not really understood when direct teaching methods are used. When small groups are used it is more likely that students will understand the thinking skills or processes involved. When this occurs, learnings are more likely to be transferred to new situations.

Limitations of Using Small Groups

1. **Group decision-making takes time.** More time is required for decision-making or planning when it is done by a group than when it is done by an individual. The views of all must be heard and disagreements may occur that take time to resolve. No doubt, more material can be covered through methods such as lectures.
2. **Time may be seen to be wasted.** Discussions, if not well conducted, not only take time, they can waste it. Without able guidance or the use of group skills, discussion can wander, be misled, hindered, concerned with trivia, or lack of conclusiveness.
3. **Convictions may be suppressed.** Some members may conform just to avoid confrontation or risk censure. Less aggressive students may not be given a chance to present their ideas.
4. **Some tasks are better done by individuals.** Routine or simple tasks, or information acquisition may be better done by individuals.
5. **Talk may be substituted for action.** "Visiting" may take precedence over productivity. In some situations, groups may tend to be indecisive since no one person is solely responsible for action. One or two individuals may do all the work and other members may merely "ride on their coat tails".
6. **Some students prefer to work alone.** Unless the benefits of group work are taught, some students may rather work alone. They may feel they can learn better alone. Some individuals may be shy, lack social skills, or feel they will not be accepted.

Most of these disadvantages can be overcome by effective use of the small group teaching method. This, of course, requires careful planning, instruction and monitoring.

Assessing Small Group Effectiveness

You can tell if a group is going well. The climate is positive, people are on task and seem to be enjoying themselves. Everybody seems involved and discussion does not "drag."

You can assess how well a group is going by asking key questions. These can form the basis of making the group more effective. You can ask yourself why a particular pattern or behavior occurs and what you can do about it.

1. **Influence and Leadership**
   - Does anybody seem left out?
   - Does somebody dominate?
   - Is there rivalry?
2. **Communication**
   - Who do people look at when they talk?
   - Who talks to whom? How long? Who interrupts?
   - Are there sub-groups (cliques)?
   - What is the style? (questions, gestures, statements, tone of voice)
3. **Decision-making**
   - How are decisions made? Consensus? Voting?
   - How do members react to the decisions made?
4. **Atmosphere**
   - Is the climate happy? Tense? Apathetic?
   - Does the group stay on topic?
   - Are efforts made to include and respect all?

Good luck with your small groups!

Adapted from: Lang, H., with McBeath, A. (In Progress). *Fundamental principles and practices of teaching: A practical theory-based approach to planning and instruction.* Toronto: Holt, Rinehart & Winston. Used with permission.